

JPRS-SSA-88-013  
7 MARCH 1988



**FOREIGN  
BROADCAST  
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# ***JPRS Report***

## **Africa (Sub-Sahara)**

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JPRS-SSA-88-013

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**Government Spending, Revenue Increase**  
34000329a Nairobi DAILY NATION in English  
19 Jan 88 p 5

[Article by Doug Charaggu]

[Text] Total government expenditure increased by 26 per cent during the 1986/87 financial year, according to the 21st annual report of the Central Bank of Kenya.

The report for the year ending June 30, 1987 says that the increase was mainly due to substantial government lending to the National Cereals and Produce Board.

During the year the total government revenues and grants went up by 22.6 per cent. The increase in the current revenue was attributed to higher export tax receipts accruing from the coffee bloom.

The report says government expenditure was also expanded by additional recruitment of teachers and increment of civil servants' salaries, together with increased debt repayments associated with real currency depreciation.

As a result, the recurrent expenditure increased by 17.4 per cent during the 1986/87 financial year. Development expenditure increased by 52.2 per cent.

The growth in development expenditure is attributed mainly to government financing of the Turkwell hydro-electric project and the construction of the facilities for the 4th All-Africa Games.

Civil servants' salary increases widened the tax base and revenue to the government. The revenue was also boosted by increased remittances from the Central Bank profits.

During 1987/87 the overall deficit was Sh9,007 which was financed largely from the banking system. The financing was done through Central Bank overdrafts. Non-bank financing was also significant and mainly came from purchase of treasury bonds.

During the year, two and five-year Treasury bonds were introduced in the capital market. A total of Sh3,125 million was realised from the sale of these bonds.

The average yield was 13.7 per cent for the two-year bonds, and 13.8 per cent for five-year ones.

Holding of Cereals and Sugar Finance Corporation promissory notes rose from Sh522 million at the end of 1985/86 financial year to Sh685 million in June 1987.

During 1986/87, the Shilling depreciated by nine per cent in nominal terms against the Special Drawing Rights from 0.05226 SDRs a shilling at the end of May 1986 to 0.04755.

The Shilling also depreciated by eight per cent against the Sterling pound, 25.2 per cent against the Deutsche-mark, 5.1 per cent against the French franc.

The shilling, however, appreciated by 1.7 per cent against the US dollar.

To promote further growth in exports, the export compensation scheme was enhanced. A total of 700 different products were eligible for compensation during the year at the rate of 20 per cent of the export value.

Net profit of the Central Bank decreased by Sh56 million to stand at Sh923.7 million.

During the year under review, Mr Joseph arap Leting, Mr Charles Mbindyo and Dr A.H.S. El-Busaidy were appointed to replace Mr Simeon Nyachae, Mr Harry Mule and Mr T.C.J. Ramtu on the bank's board.

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**New Bank Governor Outlines Monetary Policies**  
34000329b Nairobi DAILY NATION in English  
22 Jan 88 p 5

[Article by Doug Charaggu: "Kotut Meets With Bank Executives"]

[Text] The new Governor of the Central Bank of Kenya, Mr Eric Kotut, held his first meeting with commercial banks' chief executives yesterday morning.

During the meeting, the governor outlined two monetary policy measures aimed at checking inflation and accelerating the economy's growth rate.

The first was the reduction of the growth of lending to all borrowers other than the Central Government.

The move was announced early this month but the commercial banks were offered a chance yesterday to discuss it with the Central Bank boss.

The second measure discussed at the meeting was the widening of the difference between minimum savings interest rate and the maximum lending rate for commercial banks.

In the afternoon Mr Kotut told the NATION in an exclusive interview that the two measures were aimed at making it possible to attain the desired economic growth targets.

He said the target growth for this year was 5.1 per cent and 5.6 per cent a year for the rest of the century.

To attain these targets, the governor said, inflation had to be checked properly. In February last year, inflation was at around 5 per cent but rose to 6.3 per cent in June and reached 8.2 per cent in November.

Mr Kotut said the soaring inflation was caused by an excessive growth in money supply against a slower rate of growth.

The Central Bank therefore decided to control the rate of growth in credit by limiting commercial banks lending to private borrowers.

Each commercial bank's lending should not grow by more than 10 per cent a year of 0.8 per cent a month.

However, Mr Kotut said this will not lead to significantly lower total lending. It is just the rate of growth which is being checked to help fight the rising inflation, he said.

At the same time the interest rates on savings was lowered from 11 per cent to 10 per cent and the maximum interest rate on money borrowed was increased from 14 per cent to 15 per cent.

Mr Kotut said this was aimed at directing banks towards long-term lending for development rather than consumption lending. It will also enable local banks to be more competitive by providing a wider scope of five per cent between savers and investors. The five per cent difference offers a better margin for negotiation between banks and their clients.

The bank governor said the two measures were part of a package of policies designed to stabilise the economy and maintain a sound base for economic growth and development.

He added that if the 5.1 per cent economic growth rate will be attained, it was necessary to maintain the flow of savings and promote investment and contain inflation to below 9.0 per cent.

This will help interest rates to remain positive in real terms and avoid undermining growth, the governor said.

Mr Kotut said it would be wrong to suggest that the economy had lost its earlier growth steam although the momentum may have slowed down due to the lower prices of the major exports—tea and coffee.

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**National Cereals Board To Be Restructured**  
34000329d Nairobi DAILY NATION in English  
26 Jan 88 p 10

[Article by Doug Charaggu: "Cereals Board To Lose Monopoly: EEC Gives Sh1.3b to Bank Proposals"]

[Text] Twenty per cent of the maize grown in Kenya will soon be marketed by cooperative societies, the Minister for Finance, Prof George Saitoti, said in Nairobi yesterday.

Prof Saitoti said this was going to be the first step towards liberalisation in maize marketing. Presently, the National Cereals and Produce Board (NCPB) enjoys a monopoly in the marketing of maize and other cereals.

The Minister said this at his office in Treasury Building after signing a Sh1,365 million aid agreement with Mr Dieter Frisch, the director general for Development of the European Economic Community (EEC).

The aid package, in form of a grant, will be used to restructure the NCPB and strengthen it so that farmers are paid the right price and at the right time, he Minister said.

Prof Saitoti said the package was a great help to the economy as it would support the balance of payments position.

He said imports of selected agricultural inputs would be financed within the framework of the Kenya Agricultural Sector Adjustment Programme.

The package includes a capital-investment programme for increased storage, depots and rolling stock for the NCPB.

The Minister said private sector participation in maize marketing would gradually be introduced.

To take care of this the package includes a financial and technical component for building up government and private sector capacity for market development.

He said that to boost farming, there would be a programme to import agricultural inputs and machinery.

For this, the Minister said, EEC had agreed to provide about Sh525 million as part of the package. These funds will be generated internally from EEC-financed projects.

He said there would be a special government team to ensure the imports were brought in without delay.

Prof Saitoti said the package aimed to boost food security and make the cereals marketing system more effective.

The programme will be implemented over three years.

Mr Dieter Frisch said Kenya was among the 66 African, Caribbean and Pacific countries bound together with the EEC by the Lome Convention.

He said yesterday's agreement was part of the Lome III Convention which emphasised rural development more than the previous two conventions.



Mr Frisch came to Nairobi on Sunday night specifically to sign the Sh1,365 million agreement. He was scheduled to leave for Arusha, Tanzania, last night to attend the annual summit of the Southern African Development Coordination Conference (SADCC).

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**Japan Signs \$27 Million Grant**

34000329c Nairobi DAILY NATION in English  
23 Jan 88 p 12

[Article by Anderea Morara]

[Text] Japan has given Kenya an untied grant of Sh450 million (\$27m) for balance of payments support.

The non-project grant aid to Kenya will be used to purchase petroleum products, CKD its for passenger cars, lorries and other vehicles, machinery and iron and steel products.

The signing ceremony for the aid took place in the Treasury Building yesterday. The Minister for Finance, Professor George Saitoti, signed on behalf of the Kenya Government while the Japanese Ambassador to Kenya, Mr Takashi Sengoku, signed on behalf of his government.

Prof Saitoti said during the ceremony that this was the first time Kenya had received an untied grant of this magnitude. He said: "The grant is untied and can be used anywhere in the world." He urged other donors to follow Japan's example.

The Minister said the Government was holding talks with Japan on the possibility of more participation in the agricultural sector within the framework agreed on by Kenya and the World Bank. This is expected to include other forms of assistance within the whole sphere of the structural adjustment programme being undertaken by Kenya, in line with the World Bank's recommendations.

Prof Saitoti said that the grant would go a long way to redress the current trade imbalance between Kenya and Japan, which is in favour of Japan.

Prof Saitoti said the grant was the result of a visit he had made to Japan last August, in which he asked the Japanese Government for balance of payments support.

The Minister was grateful to the Japanese Government for the fast disbursement of the grant. The money will have to be spent within 12 months, otherwise it will be surrendered. This arrangement, he said, would enable Kenya to realise the benefits of the grant immediately.

Prof Saitoti said the grant, though intended for private sector assistance, would also greatly boost government revenue as the private sector would have to purchase petroleum and other scheduled imports from the government.

The Japanese ambassador said Kenya was the first country in the world to sign an agreement with Japan for aid under this new Japanese scheme.

Mr Sengoku said the Government of Japan decided to implement the programme as a positive contribution to the international community when it became clear that developing countries were faced with huge economic difficulties, including mounting external debts and depressed commodity prices.

Mr Sengoku said: "Kenya, in spite of her admirable record of economic stability and progress, is facing the same economic hardships as other countries in the world. I sincerely hope that the 3.5 billion yen project grant aid will assist towards the prosperity and well-being of the country and its people."

Prof Saitoti praised the Japanese Government for its increased assistance to Kenya since President Moi's visit to Japan. The Minister cited the construction of grain silos, Jomo Kenyatta College of Agriculture and Technology, Moi International Airport, New Nyali Bridge, Kenya Medical Research Institute among others as good examples of cooperation between the two countries.

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**Soviet Union To Provide Two-Thirds of Oil Imports**

*34000112b Victoria SEYCHELLES NATION in English 4 Dec 87 p 3*

[Text] The Soviet Union will continue to provide two thirds of Madagascar's oil imports in 1988 at prices of around 18 dollars per barrel, the director of Madagascar's state oil company has said.

Mr Rene Jean-Baptiste told reporters Wednesday that Madagascar would pay for 30 percent of the oil in cash and receive soft credit from Moscow to pay for the remainder.

Madagascar bought most of its oil from the Soviet Union this year under a similar arrangement.

Mr Jean-Baptiste did not specify the quantity of oil to be purchased under the new agreement, but Madagascar bought 320,000 tonnes from Moscow in 1987 to help meet demand estimated at 450,000 tonnes.

Mr Jean-Baptiste said Madagascar was running short of fuel, so Moscow had agreed that the new supply agreement should run from December 1987 rather than from January 1988 in order to prevent any shortfall in supplies.

He said the new agreement, which was signed Wednesday, basically provided for the delivery of crude oil.

However, it contained a clause allowing Madagascar to import refined products instead should it encounter problems with its lone refinery at the port of Toamasina, he added.

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**Committee To Foster Trade With Bloc Nations**  
*34190035c Port Louis LE MAURICIEN in French*  
*14 Dec 87 p 12*

[Article by L.B.: "Trade with East-Bloc Countries: Establishment of a Joint Government-Private Sector Committee"]

[Text] A joint government-private sector committee has been established to study the possibilities of increasing trade between Mauritius and the East bloc countries.

Headed by Secretary of Finance M. Baguant, this committee includes officials from the Ministries of Trade and Industry, the Chamber of Commerce and Industry and the Mauritius Export Processing Zone Association. Through the voice of Finance Minister Vishnu Lutchenaraidoo, the government has on many occasions expressed the desire to see Mauritius develop its trade relations with the East bloc countries and an appeal to this effect has been made to the private sector. The latter has, however, expressed certain reservations as concerns the outcome of this plan.

Aside from this, the Soviet trade delegation at present visiting here in Mauritius has met with Prime Minister Anerood Jugnauth. The talks involved the practical application of the trade agreement signed by the two governments in 1979.

At the close of this meeting the prime minister indicated that a mutual determination exists for the intensification of trade. According to him, the Russian delegation's visit has come at an opportune moment since Mauritius wants to diversify its markets. The head of the Soviet delegation, Mr Alexander S. Filippov, noted that the goal of this visit is to explore all opportunities for trade, including the importing by Mauritius of machines and tools for the industrial and farm sectors, canned products and watches and the exporting of Mauritian products to the Soviet Union.

This afternoon the Russian delegation and the minister of finance will hold a joint press conference. The delegation will hold a work session tomorrow with Mauritian businessmen.

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**Trade, Exports Discussed With PRC Minister**  
*34190035a Port Louis L'EXPRESS in French*  
*21 Dec 87 p 1*

[Article: "Bilateral Discussions: Mauritius Could Increase Its Exports to the PRC"]

[Excerpt] The possibilities of increasing Mauritian exports to the People's Republic of China (PRC) were examined by these two countries' delegations on Friday.

The goal would be to correct the imbalance in the trade balance between Mauritius and the PRC.

The two parties also touched on the possibilities of Chinese investments in the free zone.

Mr Lu Xuejian, the Chinese minister of economy and trade, held discussions with a Mauritian delegation to take stock of the Chinese-Mauritian Joint Commission.

The Mauritian Government was represented by Messrs B. Ghurburrun, Minister of Planning, H. Duval (Industry), D. Gungah (Trade) and R. Jaddoo (Transport).

The delegations explored the prospects for trade between the two countries.

By common agreement, it was decided to examine all possibilities for increasing Mauritian exports to the PRC.

Trading could also be extended to the domain of industry with the participation of Chinese investors in shared-risk projects in the free zone.

Mr Lu Xuejian agreed to a Mauritian request to this effect and offered to inform the relevant authorities and Chinese investors of the potential of the free zone and the incentives offered.

The two parties reviewed the projects that were under the jurisdiction of the first joint commission. Among them are the construction of the Belle-Vue-Mauricia Stadium, the Central Barracks machine shop and the repair of two bridges.

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**Tea Agreement Signed With Soviet Union**  
*34190035b Port Louis L'EXPRESS in French*  
*16 Dec 87 p 7*

[Article: "Soviet Union Interested in Other Mauritian Products in Addition to Tea"]

[Text] A Soviet delegation hopes for the establishment of a USSR-Mauritius airline.

The Soviet Union would be interested in buying several other commodities from Mauritius, particularly T-shirts. "To expand trade between the two countries, it would be desirable for us to establish an airline between the USSR and Mauritius as soon as possible."

This is what one of the officials of the Soviet delegation that arrived to sign an agreement with Minister of Agriculture Madun Dulloo on the next export shipment of 300 metric tons of tea declared to L'EXPRESS yesterday. It was starting with 1975 that the Soviet Union began to buy Mauritian tea with a total of 410 metric tons. But shortly thereafter and for a period of 3 years,



this trade came to an end. In 1979-80 340 metric tons were sold on the Soviet market. In 1983-84 Mauritius exported 661 tons to the USSR, which constituted the biggest export shipment of this product to that country from 1975 to the present.

Mr. Dulloo stated that the price offered by the Soviet Union will be higher than the one in effect on the world market. He added that in the past the government has encouraged the cultivation of tea. Because, he said, this sector generates an important source of income and has at the same time favored the creation of thousands of jobs. He reminded us that the government has a moral obligation to the 10,000 families that depend on this sector. About 90 percent of the total area of 8,700

arpents [1 arpent = about an acre] of tea are cultivated by 5,000 small growers. To ensure the survival of this industry, it is, however, very important for us to obtain a fair price from foreign buyers, the minister further said.

By way of conclusion, Mr. Dulloo expressed the hope that the Soviet Union would continue to be interested in Mauritian tea. This will be of considerable help in increasing trade between our two countries. It should be noted that the USSR paid 94 cents a kilogram for Mauritian tea in 1986-87.

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**Country's Election to PANA Leadership Praised**

34420093d Maputo NOTICIAS in Portuguese  
22 Jan 88 p 8

[Text] The director of information, Arlindo Lopes, who headed the Mozambican delegation to the OAU Conference of Ministers of Information, has told NOTICIAS that Mozambique's election to the three leadership bodies of the PAN-AFRICAN NEWS AGENCY (PANA) provides confirmation of the prestige of our country and the other states in southern Africa in the area of mass media despite the fact that in that field as in others, they are confronted by the apartheid regime.

Speaking moments after his return from Addis Ababa, Arlindo Lopes said: "That prestige was reflected in the election of new leadership bodies. Our country was fortunate to be elected to the Bureau of the Conference of OAU Ministers of Information, the Intergovernmental Council, and the Intergovernmental Committee on Communications."

Our country was already a member of the Intergovernmental Council, but according to the head of the Mozambican delegation, there was little hope that it would be reelected in view of the many candidates for the position.

Also members of that council, which is one of PANA's leadership bodies, are 13 other countries, and one of its chief tasks is to oversee the agency's work between sessions of the Conference of Ministers of Information.

For its part, the Intergovernmental Committee on Communications [CIC]—a body established at the last conference—includes 16 other countries in addition to our own. Its function is to deal with communication work on the continent—by press agencies, television, movies, radio, and so on—in the intervals between between two sessions of the Ministerial Conference on Information. Among its other activities, the CIC makes preparations, including the agenda, for those conferences and monitors implementation of their decisions.

Arlindo Lopes also emphasized that the Conference of Ministers of Information had noted PANA's prestige and its establishment in the field of news, citing as an example of its growth the fact that all African countries now use the agency's services. He also announced that the agency is thinking of computerizing its operations.

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**Guebuza Addresses Naval School Graduates**

34420093c Maputo DOMINGO in Portuguese  
3 Jan 88 pp 8-9

[Article by Naftal Donaldo]

[Text] To anyone expecting to hear "yes," a "perhaps" means "no." To anyone expecting to hear "no," a "perhaps" means "yes." Yesterday, they were a group of

beardless youngsters still longing for girls, food, and soccer. Today they are officers in the merchant marine. Some are fathers, some are engaged, and some are even married. There is reason to believe that when the course in navigation, engineering, and radio communication at the Nautical Training Center was suggested to them back in 1977, some of those to whom it was offered responded with a "perhaps" or a "no"—either by hemming and hawing, saying it straight out, or remaining silent. But today, their "yes" has been confirmed by the public commitment conferred by the insignia bestowed on them in Maputo on 19 December and making them bridge and engineer officers. That ceremony, which was the high point of the week of celebrations marking International Navy Day, was held in the presence of the Minister of Transport and Telecommunications, Armando Guebuza.

Much earlier, some graduates of today's Nautical School of Mozambique [ENM] had moved to the country's main urban centers and dropped into a sea of people from regions where the skies had never seen an airplane and from whose soil not even a trickle of water has ever flowed.

In the towns and cities, the amalgam of cultures resulted in their deculturation, catalyzed by the "urbanization" of individuals migrating from the rural areas. As the years piled up, their circle of friends grew, coexistence with young men from other ethnic groups became more general, and, gradually, the idea of the nation emerged.

Then the Nautical Training School appeared in response to the need to overcome the lack of Mozambican cadres in that sector and fill the gap that was being created in the embryonic Mozambican merchant marine as a result of implementing the Lusaka Agreement.

The steady expansion and ever growing importance of maritime traffic at this juncture in the life of our country and the region gave considerable impetus to the direction that would be followed in training merchant marines.

Ministerial Order No 37/85 established the Nautical School of Mozambique to train officers for the merchant marine in compliance with internationally recognized rules and standards as set forth in the "Standards of Training, Certification, and Watchkeeping for Seafarers, 1978."

In order to make that qualitative leap, several organizations committed themselves to the undertaking, outstanding examples being NORAD (Norwegian Agency for International Maritime Development [as published]) and the IMO (International Maritime Organization). In accordance with the provisions of the General Cooperation Agreement between the People's Republic of Mozambique and the Kingdom of Norway, NORAD made available a sum of money for erecting the school's physical plant and providing the necessary technical

assistance for training Mozambican officers. That was what led to participation in the project by SHIPDECO, the Norwegian firm responsible for carrying out the project.

As far as the IMO is concerned, we should emphasize that that organization has been monitoring and supporting the Nautical School of Mozambique, thereby guaranteeing that the training provided by the school meets an internationally acceptable level.

At the graduation ceremony for the 33 bridge and engineer officers of the national merchant marine, Lieutenant General Armando Guebuza, member of the FRELIMO Party Political Bureau and minister of transport and telecommunications, publicly thanked everyone involved in the daily operation of the ENM, emphasizing—especially to the NORAD and IMO representatives—that the graduating officers will be piloting and tending the machinery of ships carrying cargo not only for Mozambique but also for the countries in the interior of this southern region of Africa which have no outlet to the sea.

As Jose Albano Lourenco, Jr, director of the ENM, emphasized, "life in the school is organized in such a way that the cadets develop a sense of self-sufficiency and responsibility, the purpose being to equip them for the complex tasks and difficult situations they will sometimes have to face on board ship."

That ENM official underscored the role played by the late President Samora Machel in supporting the life of the school, which in fact was formally opened by him on 3 June 1985.

### Seven Years of Schooling

One would suppose that in 1980, at the height of intensive studying for ad hoc exams, with the euphoria resulting from Zimbabwe's liberation, and the first signs of spreading drought in our country and other countries, the idea of applying for admission to a career requiring prolonged training—at a boarding school—would not have entered the head of an adolescent 17 or 18 years old. But that was the average age of the students when they entered the school in 1980, and they knew it would take a long time to complete the course of study and become equipped with the indispensable knowledge for carrying on their new trade in navigation, engineering, and radio communications.

The cadets who completed the engineering course and are now officers entered the Nautical School of Mozambique 7 years ago. After completing their first level of study in 1982, they were sent to various places for practical training, namely NAVIQUE [Mozambique Shipping Enterprise] and the maritime administrations.

The current pilots, who graduated from the Nautical School of Mozambique and received their diplomas from Minister Armando Guebuza on 19 December 1987, entered the ENM in 1983. Having completed their first level of study 1 year later, they were sent to receive practical training on ships and in ports. After 2 years, they returned to the ENM for their second level of training. In 1987 they were back at sea, and they then returned to the school last August to prepare for graduation.

Of the 33 graduates, 3 were trained in the USSR, and 5 came from the Fisheries Administration. After taking an integration course at the ENM, the latter entered the second level of navigation and engineer training.

"Under the terms of article 13 of the Regulations on Certification of Merchant Marine Officers, the cadets being presented satisfy the conditions for acceptance as career merchant marine officers." So read a message from the ENM's administration and teaching staff concerning the standards required in evaluating the competence of the students.

Navy Week—with International Navy Day being celebrated on 17 December—was observed nationwide. The maritime administrations, together with the respective port directorates and local structures, were urged to promote various activities, namely athletic events, the dressing of ships in national ports, visits to ships by schoolchildren, ceremonies commemorating those who died at sea, the festive illumination of ships in port and other institutions connected with the Navy, radio broadcasts of messages from the minister of transport and telecommunications and the director general of the IMO, and formal meetings sponsored by the maritime administrations and the respective ports.

In the country's capital, celebrations began on Saturday 12 December 1987 with an excursion on Maputo Bay and athletic events. As a follow-up to those events, the deputy minister of transport and telecommunications, Isaias Muhate, threw a wreath of flowers into the sea in memory of those who had given their lives in our waters. A photographic exhibit on nautical themes was inaugurated at the ENM, and on the eve of International Navy Day, the minister of transport and telecommunications inaugurated the workshop for uniforms at EQUIMAR.

On that occasion, the general manager of that enterprise, Arsenio Come, explained to those present that the shop employs 22 workers and has the capacity for producing 1,000 complete suits, 5,000 shirts, and 5,000 pairs of trousers.

On the 17th, in addition to the dressing and illumination of ships, the ENM was the setting for a talk on maritime legislation, and various guests attended a showing of the film "Domingo Alarmado."

On the 18th, there was a talk on marine insurance (hull and machinery, protection, and indemnification).

The high point of the celebrations marking Navy Week came on Saturday the 19th, when insignia were bestowed on the Mozambican merchant marine's newly graduated officers (17 navigation officers and 16 engineer officers).

As a prelude to the main ceremonies, Minister Armando Guebuza listened as hydrographer Jafar Ruby of the Navigation, Hydrography, and Buoyage Department gave a detailed explanation of the range of equipment on display, including tide gages, positioning systems, a board showing soundings in Maputo Bay, the buoy plan for the port of Inhambane, and the chart of the port of Maputo that is now in preparation.

Then, to the sound of the PPM [Mozambique People's Police] band, Armando Guebuza inspected the cadet units lined up in the courtyard of the ENM. Deputy Minister Isaias Muhate read a brief speech in which he said that since its establishment, the ENM had trained 106 officers for the merchant marine.

The director of the ENM then delivered a brief address explaining the activities of the institution. Later, the director of human resources at the Ministry of Transport and Telecommunications read the dispatch making the cadets of the ENM's fourth graduating class officers in the merchant marine.

The new officers took the oath of allegiance, after which Minister Guebuza presented them with their insignia. The graduates expressed their sentiments concerning the event through a document read by one of their number, and the ceremony then continued with a message from the workers at the Ministry of Transport and Telecommunications.

During his speech, the minister of transport and telecommunications thanked and praised all those who had helped the ENM train young people for a career in the merchant marine, especially NORAD and the IMO. He praised the role played by the graduates in this difficult phase of the war and urged them to live up to the confidence being placed in them by the people as one more element conducive to the achievement of economic independence.

Those present included in particular the secretary of state for fisheries, Tenreiro de Almeida; the national director of maritime safety; and other senior cadres from the Ministry of Transport and Telecommunications. Outstanding guests included the representatives of NORAD and the UN System, the ambassador from Cape Verde, and the chief of staff of the Mozambican Navy.

### **Deliberate and Steady Progress**

The school year has ended. The Nautical School of Mozambique is now ready to receive other students who will begin their technical-professional training at that school in February 1988. And what else? Is there anything in preparation as part of the ENM's plans? It would be too illogical to respond with a negative. The prestige already achieved by the school is not compatible with mere intentions or academic purisms—that is, passiveness in conception, decision, and execution.

The undertakings described below can be included in the ENM's program:

1. The finalization of curricula and their submission for approval by higher authorities.
2. Submission of the final regulations on evaluation for approval by higher authorities.
3. The start of work to rehabilitate the wall protecting the dry dock and the sea wall (the agreement with the Directorate of Technical Construction was signed the day before the graduation).

That investment in education and training on the one hand and in construction on the other turns on deliberate, certain, and realistic progress leading to a review by the supervising body of a series of documents setting standards for the course of study to be followed by students. Also significant is the importance being assigned to the negative effects of seawater erosion both on the dry dock and on the wall bordering the school's protective wall.

11798

### **Swiss Emergency Aid Announced**

34420093a Maputo NOTICIAS in Portuguese  
22 Jan 88 p 3

[Text] The Directorate of Cooperation for Development and Humanitarian Aid in Switzerland's Department of Foreign Affairs has decided to make a special contribution through the International Committee of the Red Cross (ICRC) of 700,000 Swiss francs (more than 241,000 contos) for emergency operations in our country, according to a press communique reaching us from the Swiss Embassy in Maputo.

That supplementary contribution was made in response to the emergency appeal from the ICRC, and it will enable that international humanitarian organization to carry out selective programs for assisting sufferers in the greatest need.

Those programs are concerned with food, nonfood, and medical assistance for the inhabitants and the existing health structures, sanitation and supplies of drinking water, and the dissemination of Red Cross principles.



11798

**32,000 People Face Famine in Massingir**

34420086b Maputo NOTICIAS in Portuguese  
31 Dec 87 p 23

[Text] Thirty-two thousand people are currently faced with famine in Missingir district in the province of Gaza. Of these, 380 have been accommodated in the district headquarters, where the local party and government are providing for the distribution of supplies and the repatriation of land to be cultivated. Given the critical situation in which the families find themselves as a result of the famine, First Party Secretary and Governor of Gaza Francisco Pateguane, who last November made a working visit to the district, directed local organizations to provide greater attention to integrating those displaced by the drought into agricultural production units.

"The saucepan of our neighbor cannot satisfy our hunger. We must create alternatives to combat the drought, taking advantage of river water that exists in the district to irrigate the land," said Francisco Pateguane, restating that one cannot live merely on donations from international organizations.

Massingir district, which currently comprises 37,000 inhabitants, does not have anyone displaced by the war, suffering only from the effects of the drought which has lasted practically 6 years.

Despite the difficulties people face, party and government organizations in the district have already performed notably, having repartitioned some 300 hectares of land in Maranguel and Tihovene, areas which offer the possibility of irrigation.

It should be noted that Massingir district comprises a total of 8 communities, 3 Administrative Posts and 26 communal villages.

13026/7310

**DPCCN Director on Areas Most Affected by Drought, International Aid**

34420086a Maputo NOTICIAS in Portuguese  
31 Dec 87 p 23

[Text] The worsening drought conditions affecting various regions of the country, combined with continuing destabilization caused by the armed bandits have complicated the lives of many thousands of Mozambicans. According to official statistics, as of the beginning of last year the number of people living in extremely difficult circumstances, in need of support in the way of nourishment, clothing and tools, was estimated at 4.5 million. Due to the criminal activities of the BA's [armed bandits], it is feared that that number will have increased during the last months of 1987.

The irregularity of the rains in some areas of the country and the activities of the armed bandits were the primary factors at the origin of the worsening famine, and as a consequence thousands of people have had to abandon their lands, seeking refuge in others which offer better conditions of life and security.

This situation has become worse in the center of the country since, as Salomao Mambo explained, the greatest flow of displaced people has been from this area. Beginning in February of last year, 4.5 million people have become short of food and tools.

Mambo added that the effects of the drought and the war were more critical for populations living along the Zabeze River because, according to him, lack of access to some areas has handicapped aid distribution plans.

As Salomao Mambo showed, 400,000 families have become incapable of food production as a result of the criminal activities of the armed bandits. The problem is exacerbated by the fact that these people were in areas already ill-suited for agriculture.

Questioned about the districts most severely affected by the drought, the DPCCN Director explained that Moamba and Magude in Maputo province, Massingir, Chibuto, Manjacaze, Chicualacuala, Chokwe and Guijs, in Gaza, and all the interior districts of Inhambane province are affected by the drought. Mambo said that in the center of the country the southern Zambeze River has the same dilemma, as well as other regions in Tete province.

Although he avoided mentioning the number of deaths resulting from the drought affecting certain regions of the country, it is known that at least 25 people died in Inhambane province during the last 6 months of 1987.

**Distribution of Aid**

Touching upon the question of the distribution of international aid to the displaced populations as a consequence of the double crisis, the DPCCN Director stated that because other zones do not have land access, in some districts of Niassa, Zambezia, Manica and Sofala supply of goods is performed by air.

Mambo also said that through the appeal launched by the Secretary General of the United Nations Organization, which resulted in the calling of the Geneva conference, the international community made available 150,000 tons of cereal, clothing and tools, 30 percent of which has been distributed.

With reference to distribution and storage capacity for the donations, Salomao Mambo said that although there are some difficulties, the delivery of tools and food products is assured by some 400 trucks distributed throughout all provinces of the country.



To support DPCCN relief activities, the Norwegian Agency for Development (NORAD) has donated one million dollars for the purchase of fuel through March of this year.

The distribution of food, clothing, and other support is combined with work for the displaced families, with a view to assuring that they will also be productive, and not remain merely awaiting donations.

With reference to the centers for the displaced, Salomao Mambo clarified that in the southern area of the country there is no center, as the majority of the population finds refuge in towns where they have relatives. This, however, is not the case in Tete, for example, where the displaced come not only from that province, but also from Zambezia, Sofala and Manica.

#### **International Aid Has Been Positive**

The international community has played an important role in minimizing the crisis created by the simultaneous war and drought. Even if that assistance falls short of the real needs of the population victimized by these two disasters, it is worthy of note that the international community has responded positively to the appeal of the UN Secretary General.

As the DPCCN Director explained, however, some donors, not understanding the situation created by the two problems facing the Mozambican population, feel that the emergency is temporary. Actually, there are two fundamental emergencies: the war that creates more difficulties every passing day, and the drought which will continue as long as the war persists.

#### **Organizational Aspects**

Last year the Mozambican government, in order to respond efficiently to the results of the Geneva conference, created the National Executive Emergency Commission, a technical body which studies and proposes plans to reintegrate the displaced populations in areas where conditions are more secure.

As Salomao Mambo explained, in some ministries emergency offices function which provide all possible data on the displaced.

To provide information to donors with offices in Mozambique, agencies of the United Nations and some non-governmental organizations working for the Emergency Program (PE), the CENE has created an operative committee which meets weekly. It is also through this committee that the international community follows the evolution of the implementation of the PE with a view to providing rapid responses to some situations arising during its execution.

In almost every province of the country emergency commissions have been created and are functioning, which in those regions lead to the implementation of the Emergency Program.

Another aspect which reflects the concern of the Mozambican authorities over this dramatic situation is the training of cadres to generate donations and guarantee technical assistance and the means of transport of international aid. It is this type of idea that governs the accord signed with CARE—an American non-governmental organization which provides such assistance.

13026/7310

#### **50,000 Displaced Persons in Gaza Received Assistance in 1987**

34420086c Maputo NOTICIAS in Portuguese  
31 Dec 87 p 23

[Text] The Emergency Program in Gaza province is seeing positive results, having already assisted thousands of citizens, thanks to the efforts of Party and Government organizations.

In effect, the Agricultural Products Marketing Company (AGRICOM) made available last November 650 tons of millet to support some 50,000 people displaced by the war and living in centers organized in the districts of Chokwe, Bilene, Guija, Chibuto and Manjacaze.

With the same objective and within the agreement signed between the southern provinces, 100 tons of millet have been delivered to Inhambane province. This millet is to support those affected by the war and the worsening drought.

It is notable that the thousands displaced by the war who find themselves living under difficult circumstances in various parts of Gaza province have received support in the form of food, clothing and tools, donated by international organizations and distributed by the Provincial Department for the Prevention and Combat of Natural Disasters.

In 1987 various donor organizations made available to this province tools for those displaced on the order of 55,000 hoes, 25,000 machetes, 4,000 axes and animal traction plows, and other items.

In Chokwe district, where there is the greatest number of displaced persons, more than 400 hectares of land is being distributed in the zones of Chidachuine, Chalucane and Marrambajane. This is also taking place in the various districts, and some farmers have begun production.

13026/7310

### **Land Distributed to 500 Displaced Persons in Vila Massane**

34420093b Maputo NOTICIAS in Portuguese  
22 Jan 88 p 3

[Article by Goncalves Gauth]

[Text] Party and state authorities in Sofala Province recently provided the displaced persons living in the neighborhood of Vila Massane on the outskirts of the city of Beira with a parcel of agricultural land stretching from the neighborhood of Mungassa to Nhangoma. This was announced a few days ago by Lourenco Marra, first secretary of the City Committee.

That official, who was speaking to hundreds of displaced persons, suggested at the time that every peasant should devote himself more energetically to agricultural activities during the present season, since the conditions for doing so—including production implements and seed—have now been created.

The Vila Massane center, which houses over 500 displaced persons, has been facing problems due to the shortage of production implements—specifically hoes and machetes—since the start of the current agricultural season. But that difficulty is now being resolved by the party structures in the capital of Sofala Province in coordination with the Provincial Directorate for the Prevention and Combating of Natural Disasters.

Reporters from our office in Beira learned while attending the above-mentioned meeting that nearly 80 hectares have now been made available for rice growing during the current agricultural season, with each family getting 1 hectare.

The displaced persons, who are from various parts of Sofala Province, thanked the provincial party and government structures for the way in which their concerns had been met and taken care of, and that led Lourenco Marra to call "for each displaced person to produce well and energetically now for his own consumption and for the city market."

The official also urged the participants not to throw away sweet potato foliage, since by keeping it they would avoid having to look for that tuber at planting time.

### **Illegal Construction**

The construction of illegal houses and noise pollution were other subjects given special attention during the meeting.

In discussing those topics, the first secretary of the Beira City Committee said that rules were now in effect in every neighborhood concerning housing construction

and recreational activities, the purpose being to ensure greater stability with respect to the safety of the neighborhood inhabitants on the one hand and, on the other, to regulate those activities.

According to Marra, all activities requiring the use of sound equipment and applications for housing construction must be submitted to the neighborhood structures and the City Executive Council, and violators will be subject to fines ranging from 10,000 to 100,000 meticals.

11798

### **Inhaca Island Administrator on Refugee Conditions**

34420086d Maputo NOTICIAS in Portuguese  
31 Dec 87 p 23

[Text] Over 2,700 people, victims of the activities of the armed bandits in Machangulo, in Matutuine District, currently find themselves refuged on Inhaca Island, where a small accommodation center has been created. There, the displaced receive food and clothing support from the Provincial Department for the Prevention and Combat of Natural Disasters and from the Red Cross of Mozambique from the city of Maputo.

These facts were provided by the locality administrator on Inhaca Island, Andre Manjoro Nkuna, during our reporter's recent visit to that Island zone of the country's capital.

The displacement of the populations of Matutuine district to that area of the city of Maputo began at the beginning of February of this year, a time in which the criminal activities of the armed bandits were being felt more acutely, particularly in the barrios of Ndelane, Ngomene and Nhonguane, in Machangulo.

This situation, which in itself constitutes a threat only to some zones of the island protected from erosion, since there is not enough space on its lands to practice cultivation, began to aggravate the already deficient supply system of the population, which lives primarily on fishing.

The lack of firewood and construction materials such as stakes and reeds has also contributed to destruction of the reserve areas, considered to be of scientific interest and which serve as barriers to the winds, safeguarding the security of the island since, according to the locality administrator on Inhaca, some people grow small gardens along the coast.

"Many families have had to abandon forever their places of origin, leaving behind machambas, cattle, houses and all their possessions to try to reorganize their lives here, which is quite difficult due to the lack of space," said Andre Nkuna, who feels that the food and clothing assistance provided to the displaced is not sufficient, and that more tents are required.

The accommodation center for the displaced on Inhaca Island is operated in Nhaquene barrio, occupying an area of some 500 square meters, with some tents that serve as medical post, warehouse and a few residences.

"Those tents are not sufficient and on rainy days the displaced and their possessions are likely to get wet. The existing shelters scarcely provide protection from the sun," said the administrator of Inhaca Island. He added that before the criminal activities of the armed bandits in Machangulo, the population of the island was concentrated in that area of Matutuine district to procure material for the construction of their houses.

With reference to sanitary assistance for the displaced, that official explained that there is a worker from the Red Cross of Mozambique at the center, who observes the health situation of the people living there, as well as a nurse from the Health Center of the Locality who visits regularly.

At the same time, the educational structure on the island, under the Direction of Education and Culture of the City, is at this moment undergoing efforts to guarantee the education of the 500 school-age children living there.

These efforts consist of constructing classrooms in the center and supplying teaching materials, as well as providing teachers to lecture there.

According to the administrator of Inhaca, means of traveling to Machangulo to cut stakes and other necessary materials for the construction of the above-mentioned classrooms and teachers' residences must be studied.

"To transport the material, we intend to use the 22 boats belonging to the displaced, which have also served to transport their provisions," the Administrator of Inhaca Island said at the end of the interview.

13026/7310

**Agro-Allied Ventures Said To Attract US Investors**

34000376c *BUSINESS TIMES in English*  
25 Jan 88 pp 1, 23

[Article by Iheanacho A. Ukaha]

[Text] The fact-finding tour undertaken in July 1987 by United States Overseas Private Investment Corporation (OPIC) has now yielded positive results.

The feasibility study was aimed at identifying specific projects suitable for small and medium-sized US private sector investments.

OPIC, the nominally Federal but self-sustaining export credit insurance and financing body and the US section of the Nigeria-US Business Council, last week, co-sponsored a six-day investment mission that brought 23 senior level business executives of 15 companies interested in exploring investment opportunities in Nigeria.

Mr. Gerald T. West, OPIC Vice-President and Mr. Patrick F. O'Leary, chairman-elect of the US section of the Nigeria-US Business Council, told newsmen in a joint communique at the end of the mission that over 50 projects in the light manufacturing, agri-business and marine-fisheries sectors have so far been identified.

The areas of potential business interests that were explored by the American businessmen and prospective Nigerian joint venture partners covered a broad spectrum of industrial sectors. These included agri-business, manufacture of welded steel agriculture implements, storage facilities, ceramics and refractories, commercial adhesives and related chemicals, pharmaceuticals, banking and financial services.

Some of the Nigerian companies had to work in liaison with their banks to review their package of proposals with the assistance of trade attaches at the US Embassy. As the mission arrived in Lagos, OPIC had to arrange "one-to-one" meetings between potential investors and Nigerian project sponsors. Several of the US companies participating in the investment mission preferred, for competitive reasons, to withhold announcements of their investment plans at this time. Available information indicate that some joint-venture partners with matching capabilities have already reached agreements in principle.

Cargill, a Minnesota-based company with offices worldwide, announced that, as a result of the investment mission, it has decided to proceed with plans to open an office in Lagos. The company which buys, sells, processes, stores and transports a wide range of agriculture and other bulk commodities on a worldwide basis, is interested in establishing grain storage and distribution facilities in Nigeria.

The Vice-President of M.W. Kellogg Company Mr. Patrick F. O'Leary also disclosed that the Texas-based international engineering and construction firm is actively involved in a joint venture arrangement with NAFCON at Onne and is currently investigating further investment opportunities in Nigeria.

Other deals that fell through include the cultivation of sorghum grains in Onitsha, Anambra State, for processing into malt for use by breweries and is estimated to cost about \$20 million. It is tipped to yield high returns considering the current ban on imported barley malt. [Para as published]

Other agribusiness projects are in the areas of conversion of a dairy processing plant to soya milk processing, expansion of livestock feed production, cashew processing for export, citrus farming, fresh water fish farm, vegetable and fruit canning and ketchup processing.

OPIC's own financial involvement will be determined by the nature of the US investment. However, the corporation says it can make available direct loans or loan guarantees of up to \$6 million per small or medium-sized project and provide a range of services for the companies.

Most of the mission participants agree that the recent improvements in the investment climate will make Nigeria attractive once more to foreign investors who may have to reconsider establishing joint venture enterprises in the country.

Analysts are of the opinion that US companies have express interest in Nigeria mainly because it leads most other sub-Saharan African countries in terms of the development of a favourable investment climate. This represents a significant vote of confidence in the country's adjustment policies.

/06662

**Measures To Boost Fish Output Under Way**

34000376a *Lagos BUSINESS TIMES in English*  
24 Jan 88 p 24

[Article by Paul Ahanmisi: "Government To Boost Fish Output"]

[Text] The Federal Government is determined to boost fish production through agriculture and intensified fish farming to as to increase fish supply in the country.

The Minister of Agriculture, Water Resources and Rural Development, Mohammed Gado Nasko made this declaration last week while launching Nigerian Association of Fish Farmers and Aquaculturists (NAFFA).

The NAFFA is a new association comprising persons of organisations concerned with or interested in fish farming and aquaculture and its related industries in Nigeria.



The objectives of the association are to foster, expand production and improve the efficiency of fish farming, aquaculture and its related industries in the country; to protect the interests of its members, to regulate and monitor standards of fishing farming practice and aquaculture; to provide information and facilities to its members, the public and the Government, and to monitor all legislative and administrative measures to Government as they affect the fish industry.

In the speech which was delivered on his behalf by the director of the Federal Department of Fisheries, Alhaji Duro Apampa, Major-General Nasko noted that "in the past, aquaculture used to be accorded lower priority vis-a-vis the marine fisheries because of doubts about its economic ability."

He, however, recognized that lately, "it is now acknowledged that aquaculture could be a profitable venture granted appropriate environment and competent fish farm management".

The minister said there were about 13 pilot fish farm projects of 50 hectares each in various stages of execution in 13 states of the federation.

He also disclosed that the United Nations Development Programme/Food and Agriculture Organisation (NNDP/FAO) fresh water fish farm development and demonstration project and the fish seed multiplication project, spread over four sites in Kaduna, Oyo, Plateau and Imo states, have already trained 1,000 private fish farmers, and extension workers.

The minister further revealed that between 1983 and 1986 fish farming contributed 72,369 metric tonnes to total domestic fish production in the country.

Major-General Nasko urged the new association, as a partner in progress with the Federal Department of Fisheries, to organise private and community fish farmers and aquaculturists into a viable cooperative group for the purpose of sharing technical information in order to increase fish production, harness and fish resources of lagoons, rivers and reservoirs, and to improve the quality of life of rural dwellers.

In his message to the new association, the chairman of the Directorate of Food, Roads and Rural Infrastructures, Air Commodore L.D. Koinyan, observed that the importance of fish as a ready provider of cheap animal protein which is vital for good health could not be overemphasised.

"The immense untapped water resources of the country, its employment potentiality, the nationwide acceptability of fish, its suitability as a potent alleviator of protein malnutrition as well as the relative insusceptibility of fish to common diseases and cultural prejudices", the Commodore noted, "are very good reasons for encouraging the development of this sector."

Commodore Koinyan also revealed that his directorate planned for the production of 240 million fingerlings of various fishes between now and 1990.

He also stated that they were presently supporting the production of about 52,000 tonnes of fish in the country.

/06662

### **Government Announces Measures To Combat Desert Encroachment**

34000376b Lagos *BUSINESS TIMES* in English  
25 Jan 88 p 20

[Article by Iheanacho A. Ukaha]

[Text] The problem of desertification has continued to threaten the existence of numerous villages, farms and cattle stations in the very northern parts of Borno state, Katsina state and the semi-desert zones along the border with Niger Republic.

This has combined with the related problems of drought and pests to heighten scenarios of acute food shortages as villages and farmlands are effectively dislocated.

Although this has at one time or the other received national attention, the 1988 Budget has gone one step further by spelling out some concrete measures to combat desertification.

The government has made some budgetary provisions to intensify afforestation programmes during the year and also plans to press home the relevance of the national tree planting day.

Moreover, the importation of rough wood, which for sometime has been on the country's contraband list, has been lifted. The President says "this will slow down the process of deforestation of the country's forest zones." Some other related measures will include the promotion of coal and gas for cooking purposes across the country.

It is important that Government has recognised that the menace of desert encroachment is not entirely a natural phenomenon. More often than not it is aided by such human factors as pressures arising from rapid growth of population, its uneven distribution and inadequate socioeconomic development thus leading to widespread environmental degradation.

Dr. Mostafa K. Tolba, the Executive Director of the United Nations Environment Programme (UNEP) describes the crises as "the outward manifestation of environmental bankruptcy," the degradation of natural resources linked to an imbalance between the supply of food and energy and the need for them. It is a spreading problem, threatening some 15 million people living in



the drylands that make up a substantial percentage of the northern region of the country. Their land yields less as the soil gets poorer, and each year there are more people for it to food.

The UNEP assessment shows that desertification is a man-made problem caused by excessive pressures on fragile eco-systems. Because of the rural poverty, the people living around the arid north, often have no choice. They are not able to conserve their land for tomorrow because to survive they must abuse it today.

Thus studies carried out by UNEP, the EC commission delegates, and other organisations find that desertification is the over-cropping, over-grazing, deforestation and poor irrigation practices. Its roots lie in economic and social factors such as under-development, technological backwardness, inequitable distribution of land and rapid population growth. These are linked to bad management, inappropriate land use and rural neglect.

As we noted earlier, some efforts have been made in the past to check desert encroachment in the arid north. These have ranged from emergency physical measures undertaken by the Federal and various state Governments on ad-hoc basis; to direct supply of chemicals and food-aid during periods of severe drought and pest invasion.

Obviously, millions of naira have been sunk into such emergency control measures without much appreciable impact.

It is therefore heartening to note that the Federal Government has now decided to address the real issues by focusing attention on the very heart of the matter.

This, it is hoped, will complement the earlier programmes initiated last year by the Delegation of European Community in Nigeria (EEC) to combat the problem of desertification.

The EC Commission Delegate, Mr. Joannes ter Haar late last year, undertook a twelve-day tour of North Eastern parts of Borno state at the head of a four-man team of EEC officials. The team was able during the visit to familiarize themselves first hand with the very serious

drought, desertification, deforestation and over-grazing problems of that part of the country—environmental problems which an EEC-financed rural development programme hopes to combat.

Mr. Ter Haar disclosed to this correspondent that with a financial contribution of ECU 40 million (approx. N200 million), the EEC envisages to fund a comprehensive agricultural, livestock and forestry development programme, as well as certain activities in the primary health care and education sectors.

The EEC visitors exchanged views with farmers, villagers, traditional leaders as well as with the Project Managers of World Bank-Borno ADP, BORDAP, and officials of Chad Basin Authority, to ensure that the problems as experienced by those living in these arid zones could be listened to, and the solutions to them as seen by farmers and villagers alike could be considered by the team for inclusion in the programme.

It was further gathered, that the EEC-supported Katsina Afforestation Project, with an estimated cost of N50 million, launched in early 1987, is making excellent progress.

The project which covers approx. 1600 sq. km, is to effect a pilot tree-planting programme in the arid northern belt of the country. It is expected to result in the planting of about 500 hectares of shelter belts, using indigenous and other species of fruit trees and the establishment of about 800,000 trees for farm wind breaks. These afforestation activities are intended to demonstrate ways of slowing down the spread of desertification, and of revealing to farmers the benefits of fuel wood and timber.

For the 1988 season, it is expected that there will be a marked increase in the number of forestry seedlings raised, for additional shelter belts and trees-on-farms.

With the current vote by the Federal Ministry of Agriculture and Water Resources, it is hoped that these will combine to make a significant contribution not only to increasing food production, but also to halting desertification in the arid North.

/06662

**Discovery of Oil, Gas**

*34000112a Victoria SEYCHELLES NATION in  
English 8 Jan 88 p 9*

[Text] Madagascar has hit natural gas and condensate at an exploratory well drilled in the Manambolo West area in the southwest of the island, President Didier Ratsiraka said yesterday.

First results indicated two billion cubic metres of gas and 3.5 million barrels of condensate, he told officials and diplomats at a New Year's meeting.

The state-run Office Militaire National pour les Industries Strategiques (OMNIS) drilled the well late last year under a grant from the Canadian Government's Petro-Canada International Assistance Corporation.

Mr Ratsiraka said exploratory work at Manambolo West had stopped because the grant of about eight million Canadian dollars had run out but Madagascar would do all it could to raise more money to continue prospecting.

The Government envisaged drilling at other sites in the same area, he added.

An oil expert in Nairobi said the discovery sounded small and exploiting the Madagascan gas in such quantities would not be commercially viable.

OMNIS chose the Manambolo West area because earlier test drillings there showed traces of light oil. OMNIS technicians said last June the Canadian-financed drilling would be to a depth of 2,500 metres.

Mr Ratsiraka also said his government planned to liberalise Madagascar's foreign trade completely during 1988 by abolishing an across-the-board five per cent tax on imports and reducing export formalities to the minimum.

He criticised the results of earlier trade liberalisation measures, however, saying they had led to massive imports of essential goods and could upset the balance of payments.

Salaries in both public and private sectors would go up in February, by eight per cent for those on high incomes and 12 per cent for the lower salary scales, he said.

/06662

**Suspected KGB Agent Held Diplomatic Passport**

34000402 London AFRICA ANALYSIS in English

5 Feb 88 p 1

[Text] New York—The arrest in Israel six weeks ago of Shabtai Kalmanovitch, on suspicion of being a Soviet spy, is leading investigators into a murky world of African gold and diamond smuggling. His complex business dealings through his Liat company link Kalmanovitch more closely with Sierra Leone—whose President, Joseph Momoh, last year gave the former Russian emigre a diplomatic passport.

During his eight-year career as a financier in different parts of Africa, the man now called 'the KGB's most senior spy in Israel' has represented himself as Sierra Leone's economic adviser in West Germany, and Israel's cultural envoy in Freetown.

If he were not in jail in Tel Aviv, the boss of Liat would be due shortly to appear in court in Charlotte, North Carolina, on a charge of passing forged cheques worth \$2m. It is believed that the Israeli action in taking him into custody has been a relief to the US authorities: there could be severe embarrassment if Liat's smuggling of diamonds, under cover of 'diplomatic' duties, were made public.

Far more embarrassing could be the raking over of the ashes of the 'Pollard affair.' Jonathan Jay Pollard is now serving a life sentence in the United States for spying for Israel. The arrest of Kalmanovitch came only a week after reports that the KGB had infiltrated Israeli intelligence and obtained data passed on by Pollard.

Kalmanovitch has good connections. When he was arraigned in North Carolina, a character reference was submitted from Benjamin Gilman, a Republican member of Congress from New York. He also has an attorney, Nathan Lewis, who also acts for US attorney general Edwin Meese in his current legal difficulties.

The companies involved in the \$2m embezzlement generally can be traced back to Sierra Leone. A Liat fellow-director, William Davidson, who is generally regarded as the 'fall guy' in the case, is well known in Freetown; he is now in jail in the US, after a spell behind bars in London.

Kalmanovitch was also prominent some years ago in the South African homeland of Bophuthatswana, where he made large profits in construction work and was the homeland's 'official' representative in Israel. The Bophuthatswana authorities now proclaim their regret at having had anything to do with the KGB's 'sleeper,' and pre-emptively sacked him last November.

/06662

## POLITICAL

### **Survey Reveals Most White Natal Voters Opposed to Group Areas Act**

34000390b Johannesburg THE STAR in English  
3 Feb 88 p 11

[Text] The overwhelming majority of white Natal voters were opposed to apartheid laws of any kind, including the Group Areas Act and racial segregation in schools, according to market research conducted on behalf of the kwaZulu/Natal Indaba.

The survey, conducted in December, covered a random, representative sample of 1,002 white voters in the Natal constituencies of Maritzburg North, Durban Central, Umbilo, Durban North, Umhlanga and Pinetown, according to an Indaba statement.

Professor Dawid van Wyk, director of the Indaba, said the findings showed strong support for reform and the creation of a non-discriminatory society—both of which were fundamental to the Indaba proposals.

The preliminary findings of the survey showed that 54 percent of white voters canvassed in the six constituencies supported the Indaba, as compared with 13 percent who opposed them.

In previous surveys conducted on behalf of the Indaba, it emerged, among other things that:

—What Natal voters would definitely support kwaZulu Chief Minister Mangosuthu Buthelezi's involvement in the leadership of a provincial Government for the region.

—There was majority support for the Indaba within the ranks of National Party voters.

—Support for the Indaba was strong among all different race groups.

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### **Shadowy Group Within Natal Indian Congress Exposed**

34000390c Durban POST NATAL in English  
27-30 Jan 88 p 10

[Article by Quraish Patel: "Genesis of the Cabal"; first paragraph introduction]

[Text] The great failure of the cabal, because of its manipulative nature, is the lack of the growth of community and other organisations in our townships. Whenever an organisation struggles to rise, the cabal pushes its own selected supporters in and generates, unintentionally I must assume, anti-Indian feelings. This danger is real.—Akm Docrat

The existence of a shadowy group known as the cabal within the Natal Indian Congress has been accused of unintentionally encouraging anti-Indian sentiments, and of controlling the United Democratic Front-Natal.

Pointing out the members of the cabal for the first time is veteran Durban opponent of apartheid Mr AKM Docrat, who believes the way to oppose this group is to discuss it openly.

Mr Docrat, who was actively involved with the Congress of the 40s and 50s, was a close associate of the late Dr Monty Naicker. Both men were at the helm of the movement against Apartheid by apartheid.

A savage five-year 20-hour-a-day period of house arrest (which ended a few years ago) did not prevent Mr. Docrat from monitoring the activities of the cabal which began in the 70s. Mr. Docrat was the first person to identify the existence of a secret group which he named the cabal.

Since then the word "cabal"—derived from English history—has been associated with a particular group of Durban people.

Natal Indian Congress official Paul David denies the existence of a cabal which controls the organisation. Dr Farouk Meer, the secretary, accepts it, saying the cabal is in fact the most representative structure of the organisation.

Ex-Congress president MJ Naidoo confirms its existence without naming the members of the group.

Mr. Docrat, one of the country's oldest opponents of apartheid, said the two main cabal members are lawyer Yunus Mohamed and pharmacist Pravin Gordhan. Others associated with the group act in a lesser capacity.

"The cabal controls not only the NIC but also the UDF-Natal and manipulates other bodies as well to toe its political line which is, at best, to the left of the Progressive Federal Party.

"The great failure of the cabal, because of its manipulative nature, is the lack of the growth of community and other organisations in our townships. Whenever an organisation struggles to rise, the cabal pushes its own selected supporters in and generates, unintentionally I must assume, anti-Indian feelings.

"This danger is real.

"My contention is that UDF-Natal is merely an affiliate of cabal-NIC and no more, as almost all the activities of UDF-Natal are 'Indian' oriented.

"This behind-the-scene attempt to control and subvert the NIC is a dark and shameful chapter in the history of South African Indians. I am certain that the Transvaal Indian Congress is also somewhat infected with the cabal disease."

Reviewing the history of the NIC in the political struggle for a free and open society, Mr. Docrat explained the differences between the NIC of the 1940s and 50s and the present NIC, and pinpoints the formation and development of the cabal.

"Then we followed the democratic procedure of agreeing to disagree on issues, openly and publicly. We also followed this line in our relationships with other organisations, never seeking to manipulate them. In this way we found cooperation for and acceptance of our cause."

"The NIC aligned itself fully with the Congress Movement, participated in the Defiance Campaign, and thus was born the Congress Alliance. Our objectives were never aimed at Indians only, but at the betterment of all South Africans."

"The present NIC was revived in 1971 and struggled in spite of the bannings of its first two presidents. To its credit it did build up some sort of organisation by establishing a few branches and activating some members."

"Then came the cabal...."

"The genesis of the cabal is interesting. It began at a local campus under the banner of non-collaboration and on the condition that no SRC would be formed at the University of Durban-Westville until certain conditions were met."

"Who and how many constitute it? There is no single answer to this and my understanding is that it began with half a dozen students. Now I think that number is halved and it has become more rigid. The two alleged members are Yunus Mohamed and Pravin Gordhan."

"Inexplicably in the late 70s the cabal changed its course full circle and decided to contest the forthcoming elections for the old South African Indian Council."

"The first defeat of the cabal came at Phoenix. Gordhan and Mohamed worked hard and tirelessly through the Phoenix Working Committee and were popular until they began talking about going into the SAIC."

"They were abused and hounded out as both had to leave the PWC. Then began a round of secret meetings between the cabal and others, including NIC officials, to woo them for the SAIC."

As it turned out the cabal were thoroughly thrashed on the issue of participation in the SAIC.

So when Mr Naidoo says the cabal is now trying to push the NIC and the community into participation of the House of Delegates, Mr. Docrat is not surprised.

Responding to the existence of the cabal, Dr Meer says: "At its conference on November 29 a resolution was passed which rejected the existence of the cabal and the resolution goes on to state 'The cabal they refer to is in fact the most representative structure of Congress, viz, the organising committee. This committee consists of executive members and representatives of all branches. No serious opponent of this racist government could possibly find anything objectionable about this democratic forum'."

"With regards to participation Congress took a clear and unambiguous decision not to participate in any elections and the resolution called for the isolation of all members of the House of Delegates and all those who promote its existence."

"The participation debate has not been discussed either by the executive nor any of its branches."

Dr Meer rejected the contention that executive members held discussions with a House of Delegates MP, indicating reports to this effect were to be referred to the Media Council."

Mr R Ramesar, who resigned his post as secretary a week before the conference because he objected to the holding of a "secret" conference, asked: "Who is the organising committee which Dr Meer says is democratic? It would surprise and upset the community to learn that neither I nor the former vice-presidents knew who is in that committee."

Mr Ramesar insisted that the NIC executive had decided last year to hold a conference in January this year. "However, a few days after that decision—taken on a Monday—executive members were informed that the conference was to be held at an undisclosed venue on Sunday."

"Who took that decision? Why was the executive decision disregarded? This was the work of the cabal."

Also drawn into the NIC controversy are lawyers Hassan Mall, Paul David, and Hassim Seedat. It has also been claimed that the election of fourth vice-president Professor Jerry Coovadia was invalid as no proper amendment was made to the constitution.

Mr Ramesar asked why these lawyers who were present at the conference did not object to the way in which the constitution was altered.

"It's also difficult to understand why NIC officials persist in stating that the annual conference was closed for security reasons yet a week later held a public meeting at the David Landau Hall."



"Why were executive members Archie Gumede (a UDF president) and Virgil Bonhomme not at the NIC conference?"

"The cabal has buried the Freedom Charter," said Mr Ramesar.

Mr. Docrat said the leadership of the NIC "have been mouthing the Freedom Charter constantly. At almost every NIC and SA Indian Congress conference during the 40s and 50s some of us constantly moved for a single congress for all south Africans and were told that, for various reasons, time was not opportune.

"Since then the Freedom Charter has taken root in the hearts and minds of the majority of the people. Therefore on this basis now a democratic society can be created for all South Africans."

Years ago Mr. Docrat also advised NIC officials of the activities and motives of the cabal. However, believing that they would be able to keep the influence of the cabal to a minimum, the NIC executive tolerated it.

The cabal then controlled the executive and finally, in opposition to an executive decision, planned the national conference where pre-selected people were elected on to the executive.

In this way the cabal has become the main actor in the NIC.

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### **Eglin Spells Out New PFP Strategies**

34000390a Johannesburg THE STAR in English  
1 Feb 88 p 11

[Interview with PFP leader Colin Eglin; date and place not given]

[Text] The Progressive Federal Party's most immediate task is to give greater cohesion and thrust to those groups in Parliament who share its values of a democratic, non-racial South Africa, according to its leader, Mr Colin Eglin.

It is a strategy aimed at including individuals and groups in all three Houses of Parliament while the party maintains its contacts outside Parliament.

In an extensive interview this week Mr Eglin spoke against the background of unease in the party since its election setback last year.

Q: There is a certain amount of unease in the PFP about its future role. To what do you attribute this?

"I think it is perfectly understandable that, following its election setback, the strong running that is being made by the Conservative Party, and the tight control the

Government has over the distribution of information on key issues, there should be a degree of frustration among members of the PFP who would like to be living in a very different South Africa.

"To deal with this the party set about analysing the election results and reassessing its strategy in the light of its findings.

"This led to the acceptance of the party's 'mission statement' at the end of August but such statements, while they play a vital role in positioning the direction and setting out the key markets for political tactics still have to be fleshed out by programmes of action.

"Having stated its objectives the party is now in the second phase of considering a programme of action within the framework of the mission statement."

Q: Do you sense any unease about your leadership or that of any other leaders in the party?

"To the extent that there is impatience and frustration once again it is understandable that some of it must direct itself among other things to the leadership in specific and general terms.

"What I am anxious to do is to harness this frustration and impatience and to turn it into creative thinking, debating and decision-making.

"The groundwork of the past few months will very soon develop into decisions and actions in the political scene.

"Again I do not believe that what is seen as some unease flows from any fundamental ideological differences."

Q: It has been said in some PFP circles that activity in the party virtually dried up after the election shock. Has something been done about this?

"There was a drop-off of general activity after the election. This was a consequence of a response to a tough four months long election campaign and disappointment at its results.

"Added to this the party, from May to August, examined the election results were analysed and a new strategy planned. [As published]

"In addition the party was affected in the post-election period by some defections. There obviously was a 'valley period' but the round of party congresses later on pointed to the party having pulled itself together."

Q: How do you now see the PFP's future role?

"The party must be in tune with the dynamics of what is happening around it.

"I still see the party's key role as the custodian of non-racial, liberal, democratic values.

"Secondly, the party has a role to promote the process of negotiation as an alternative to conflict.

"Its third aim is to increase the effectiveness of anti-apartheid opposition in South Africa. This cannot be done by the PFP on its own. The party has to be involved in finding ways of bringing about a greater cohesion of efforts among various groups and parties who share its goal of a democratic and apartheid-free South Africa."

Q: There has recently been a lot of talk about the plight of liberalism in South Africa. How do you see this?

"Liberal values such as equal opportunities, individual freedom and the rule of law have always been under pressure in conflict situations.

"These values are not respected by authoritarian regimes and they are not respected by revolutionaries."

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## ECONOMIC

### Randburg CBD Open for Trading

34000387a Johannesburg THE CITIZEN in English  
28 Jan 88 p 2

[Text] Randburg's central business district (CBD) has been declared a free trading area from January 15 and it has already been promulgated in the Government Gazette.

This means that the CBD is now open to all population groups to own buildings, land and premises for commercial, professional, religious or educational purposes.

The Randburg Town Council had resolved in November 1985 to lodge an application for the declaration of the central business district as a free trading area, following the acceptance by the Government of the Amendment Act on Group Areas.

The council had conducted an investigation when comments had been obtained from institutions such as the Randburg Chamber of Commerce and Industry, the Randburgse Afrikaanse Sakekamer and the Mall Association, before lodging their application.

All these bodies supported the opening of the CBD as a free trading area at the time.

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### Coal Mines Laying Off Workers

34000387c Johannesburg THE CITIZEN in English  
19 Jan 88 p 3

[Highveld Bureau]

[Text] More than 2,000 eastern Transvaal coal miners have been retrenched as the coal industry heads further into the doldrums.

Assistant general-secretary of the National Union of Mineworkers' (NUM), Mr Marcel Golding, says the mining houses have indicated that this is only the beginning of retrenchment.

Anglo American's Amcol chairman, Mr Graham Boustred, said in his annual report that the industry was expecting a R1.3 billion loss in foreign earnings for the past year.

Gencor's Ermelo Mine has cut production by 40 percent and paid off 1,165 men last month.

### Colliery To Close Down

Last April the same mine retrenched 400 workers.

Anglo American is to close its Landau Colliery, near Witbank, within the next few months.

Other mines in the area have retrenched or are planning retrenchments.

The general-secretary of the white Mine Workers' Union, Mr Peet Ungerer, said all white miners who had been retrenched had been placed elsewhere.

"Our members are mostly skilled and have been transferred to other mines within a group," Mr Ungerer said, adding that, in some cases, the miners were being retrained to work on gold mines, while others had gone on early retirement.

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### Number of Unemployed Blacks Decreases

34000387d Johannesburg THE CITIZEN in English  
4 Feb 88 p 22

[Text] Black unemployment decreased by 9.6 percent in September, compared with the same period in 1986, according to figures released by the Central Statistical Service (CSS).

Statistics show that the number of unemployed decreased from 1,098,000 in September 1986 to 993,000 in September last year.

An analysis of the age distribution of the unemployed for last September show that 68.2 percent appear in the age group 15 to 34 years.

During this month, 15.4 percent of the economically active Black population were unemployed—a decrease of 0.5 percent compared to the previous month.

The CSS analysis shows that during September, there was an unemployment ratio of 18.7 percent in cities, 13.7 percent in towns and 13.3 percent in rural areas.

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### **Agriculture Minister Says State Aid to Sector Helped Its Survival**

34000391a Johannesburg THE CITIZEN in English  
27 Jan 88 p 4

[Article by Brian Stuart: "Agriculture 'Moving from 7 Lean Years': Aid May Be Curbed—Wentzel"]

[Text] Cape Town—State aid to agriculture and improved weather conditions mean that agriculture is "moving out of the seven lean years" and can look to a more stable future, Mr Greyling Wentzel, Minister of Agriculture, said yesterday.

He believed farming was now "over the hump" and the department could again re-examine and possibly phase out some of the existing scheme which have pumped millions into the industry as "an investment in a national resource".

"The profitability of agriculture is starting to improve," he told a press conference in Cape Town yesterday at which he and the Deputy-Minister, Dr Kraai van Nierkerk, provided the Press with full particulars of agricultural aid schemes.

They agreed that the total outstanding agricultural debt of R14,000 million was not unreasonable in view of the R12,000 million production potential of the industry.

Mr Wentzel said that in the past "seven lean years" about 25,000 farmers with 35,000 accounts had received State assistance in some form.

This means that an estimated 40 percent of the country's 59,000 farming units had benefited from assistance.

"This is a considerable effort by the State in terms of numbers of farmers who have been assisted."

It benefited farmers and made an important contribution to the maintenance of the economies of local communities and the preservation of job opportunities for labourers.

It also ensured the survival of country towns which were mainly dependent on agriculture. The State assistance was also to the direct and indirect advantage of other financing institutions, agri-businesses and other private institutions.

The extent of assistance to farmers during the past 7 years totaled R2.4 billion. Of this amount R1.4 billion was used for loans subsidies comprised R1 billion.

This did not include the Government's financial aid to the wool industry (R15.5 million) and the maize industry (\$309 million), and assistance in respect of flood disasters.

Neither did it take into account the State guarantee for carryover debts (R900 million) and the additional R400 million to keep insolvent farmers on their farms.

Nevertheless, the so-called R400 million scheme was the most important and even the only scheme, which could assist farmers to save them from financial ruin.

Steps taken by the State to render assistance during the period from 1981/82 to December 1987 were:

—Consolidation of debts—5,268 applications approved for an amount of R344.2 million, of which 889 applications were approved for the amount of R79.7 million during 1987/88;

—Crop production loans—12,995 applications were approved for an amount of R469.6 million, of which 1,685 applications were approved for an amount of R120.7 million during 1978/88 and;

—Stock feed loans—3,391 applications were approved for an amount of R286.8 million.

During the same period interest on the carry-over debts and production credit of farmers was subsidised with an amount of R590 million so that the effective interest rate which farmers had to pay was only 4 percent at present.

This financial assistance was designed to keep the maximum number of independent owner-farmers in agriculture, ensure the continuous production of food, and protect the country's natural resources.

"In spite of the fact that the extent of assistance is limited by the availability of funds, the various aid schemes for agriculture have made a great contribution towards enabling the farming sector to survive and to continue with production in these difficult times.

"It is clear that in spite of the trying economic circumstances in South Africa over the last few years, the State has succeeded through these schemes in enabling the agriculture sector to survive the difficult times and to continue with production," Mr Wentzel said.

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**Growth Potential Excellent for Granite**

34000391b Johannesburg *BUSINESS DAY* in English  
26 Jan 88 p 10

[Article by Liz Rouse]

[Text] Granite shares have excellent growth potential as world demand, especially for black granite, is expanding and prices are rising.

In a detailed survey of the granite sector, Frankel, Kruger Inc, foresees a great future for the industry in export markets.

Favourable factors are:

—SA produces three types of granite—black, dark grey and coloured. Black granite command a considerable price premium over the other varieties due to current world undersupply.

—The country produces more than 70 percent of present world consumption of black granite and local producers are able to exert considerable influence on world prices.

—Most contracts are negotiated in dollars, presenting excellent rand hedge possibilities. SA is in a flexible position—in the case of a dollar rise, the US accounts for only 8 percent of SA's exports and other countries will pay the same amount.

—Sanctions are not expected to affect the industry to any great extent because of the dispersion of markets. Countries served, with the possible exception of the US, are those least likely to engage in sanctions activity, and re-routing of cargoes, especially via Italy, is still possible.

—Italy, Spain and Japan are the primary markets with other European countries and some emergent Middle East economies assuming a greater importance.

—The granite sector shows exceptional growth potential by increased production levels and earnings enhanced by a weakening rand.

There is a considerable variation in price and profitability. Prices range from R2,000 a block for black, R1,000 for coloured (a growing market from a currently small base), R850 for dark grey and R750 for grey.

Granite profitability on a FOB Durban basis involving a transport cost averaging R220 a block, makes black granite the most profitable at a profit of R780 a block, followed by coloureds (R430), dark grey (R330) and grey (R280).

In tonnage terms, Keeley Granite is the largest SA producer and also the world's largest producer of dimensional granite. More than 90 percent of income from granite operations is generated from operations that

comprise the group's total output, save about 20 percent of the Rustenburg production, which represents a dominant share of the local market for granite blocks and slabs.

Keeley's freight forwarding and stevedoring company operating from several ports as become a major contributor (25 percent) to group profitability. Its wide range of granites, together with stevedoring, which handles other freight as well, ensure future earnings growth against the possibility of changing patterns of demand.

At the current market price of 380c, Keeley is the highest rated among the granite stocks, with historic earnings yield at 7.3 percent and dividend yield at 3.7 percent.

Marlin is the preferred short- to medium-term investment for maximum profit potential with its predominance in high margin black granite.

Marlin is trading at 250c, near its high of 300c, on a historic earnings yield of 16.7 percent and dividend yield of 6.9 percent.

Kudu is the smallest and youngest producer with low overheads and production costs and hence higher unit profitability. With major expansion programmes in black granite being undertaken, the company offers a higher risk but considerably higher award opportunity.

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**SBDC Appeals to Government for Bill of Rights**

34000391c Johannesburg *THE STAR* in English  
3 Feb 88 p 11

[Article by Michael Chester]

[Text] The Small Business Development Corporation (SBDC) appealed today to the Government to introduce a special "business charter" in the form of a Bill of Rights to protect small entrepreneurs in the informal sector from harassment by bureaucracy.

The appeal came from Mr Mike Smuts, general manager of development services. He urged the establishment in all major cities and towns of specific zones where informal-sector street traders and hawkers are guaranteed freedom to operate without red-tape hassles.

The recommendations came after a fresh wave of official action against street traders in the Johannesburg city centre.

Mr Smuts expressed particular concern over recent enforced removals of several black hawkers and traders from the Hoek Street Mall, which the SBDC helped to launch as a market reserved for informal-sector operations.



Harassment of the informal sector was still occurring, in spite of recommendations by the Economic Affairs Committee of the President's council that needless regulations and red-tape should not be allowed to be obstacles to black entrepreneurs setting out to launch their own business enterprises.

"There have been voices of encouragement at parliamentary level and several obsolete regulations have disappeared," said Mr Smuts. "But there are still many incidents of harassment by bureaucrats at municipal level using antiquated by-laws to order the removal of street traders on one excuse or another—such as causing litter problems, or stepping across a particular invisible boundary, or offences under obscure traffic laws.

"Sometime there is also harassment by vested interests inside the established formal sector which resent competition, and cause hassles to street traders who venture into what they regard as their own sales territories.

"They fail to see the longer-term benefits of a strong informal sector to the entire economy and to their own businesses.

"The informal sector is already responsible for no fewer than 6700,000 of the million business enterprises in operation in South Africa today. It has already created 1,500,000 jobs or more to hack down the unemployment problem, and emerged as early the biggest generator of new job opportunities in the country. The more successful it becomes, the more wealth it generates to everyone's ultimate benefit.

"It is both tragic and farcical that harassment is allowed to continue. One can visualise the modern structure of South african business as a pyramid. Its foundations depend on a growing informal sector—and if there is tampering with the foundations, the whole pyramid is threatened.

"It is also obvious that the thicker and stronger the foundations, the bigger the pyramid it becomes capable of supporting.

"The best way to ensure the safety and future expansion of the foundation is to introduce a special form of business charter—a Bill of Rights—to protect the whole informal sector and guarantee its expansion."

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#### **Aid for Venda**

34000387b Johannesburg *THE CITIZEN* in English  
27 Jan 88 p 23

[Text] Thohoyandou, Venda—South Africa is to provide R25 million in development aid to Venda.

An agreement was signed at Thohoyandou in Venda yesterday by President Mphahlele of Venda and South Africa's Ambassador to Thohoyandou, Dr J.S.S. Weideman.

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## **SOCIAL**

### **Background of KTC Squatter Camp Violence Probed**

34000389b Johannesburg *THE WEEKLY MAIL* in English 5-11 Feb 88 p 7

[Article by Gaye Davis: "KTC's Troubles Run Deeper Than That"; first para introduction]

[Text] A Cape Town squatter camp blows up suddenly one evening. Four hundred homes are burned down, leaving 3,000 homeless. The immediate cause appears to be revenge. But that hardly begins to explain the deep anger in the KTC community.

He said his name was William Booie, but these days in KTC—part of the Crossroads squatter camp complex—people are wary of putting their real names to their opinions.

His home was one of an estimated 400 in the settlement burned down since last Thursday, in sporadic conflict which has so far left at least six dead and about 3,000 homeless.

Booie sat outside a temporary shelter he built with materials salvaged from the smoking ruins of his home. Others have done the same, and a new settlement has mushroomed on vacant land less than 100 metres from KTC itself. The new residents have named it Tambo Square.

The bulk of the refugees are living with friends and relatives in the adjacent built-up townships of New Crossroads, Guguletu and Nyanga.

Booie could offer little explanation for the conflict which devastated his home and kept him from work for fear of a renewed attack. He was told "Masincedane people" were coming to kill the youngsters, he said.

Masincedane—Xhoas for "help each other"—is the name of KTC's long-standing ruling committee, which has been negotiating with Government and other agencies to get the area upgraded.

Booie said he knew nothing of the murder last Thursday of Masincedane committee member Storeman Madubela, who was hacked, stabbed and stoned to death, allegedly by youngsters whom fellow committee member Gladstone Ntamo calls "fireboys"—anarchists who don't care whom they serve.



Summoned on the discovery of Madubele's body, Ntamo left his house just as stones started smashing against the roof and windows. Another committee member's house was also stoned, he said. That night, the first shacks started to burn.

On the face of it, a simple matter of revenge—easily understandable as black-on-black "faction fighting," as the SABC described the conflict.

But in the view of community, church and political workers interviewed this week, the reality lies far deeper, is much more difficult to grasp.

Long a symbol of squatter defiance against government raids and harassment, KTC survived a June 1986 attack by witdoek vigilantes from nearby Old Crossroads—when hundreds of shacks were razed—to become a recognised stronghold of militant activists.

But last year, divisions arose within the community, raising fears they would be exploited by agents of the state, resulting in the community's co-option in the same way Old Crossroads was tamed.

The continuing State of Emergency compounded the problem. Key figures were detained, buffeting organisations. Meetings had to be held clandestinely. In spite of this, the United Democratic Front and Congress of SA Trade Unions arranged several forums to try and resolve the situation. They were of little effect, UDF executive members acknowledge.

Masinedane committee members saw themselves as representing the KTC community: they challenged the right to existence of a Western Cape Civic Association steering committee canvassing membership in the settlement.

It appears there was a UDF/Cosatu decision that the steering committee canvassing membership in the settlement.

It appears there was a UDF/Cosatu decision that the steering committee disband, and that it did not. This precipitated a split within the Cape Youth Congress, with some members supporting Masinedane, some the steering committee. Similar divisions emerged within the United Women's Congress.

Tensions spilled over into violence. Members of the Steering committee were killed amid speculation that anarchic youths were employed for the job. There were retaliatory attacks. Peace talks at year-end foundered.

When the first shacks started burning last Thursday night, it seemed a repeat of the Old Crossroads disaster was imminent.

A real fear was that the Masinedane committee, its authority in the area challenged and under increasing pressure to "deliver the goods"—finalise the upgrade of the settlement—would see sense in cooperating with police in ridding the area of so-called militants. In exchange, the Government could see to it that the long-promised upgrade went ahead, and Masinedane's hegemony in the settlement as community councillors would be assured.

Within KTC and the surrounding townships, many were saying this alliance had already been forged, that Masinedane were now vigilantes. Others, however, also within progressive organisations, leapt to Masinedane's defence.

The Masinedane committee denies any collaboration. Representative Gladstone Ntamo told THE WEEKLY MAIL: "We are not vigilantes. We are part of the progressive organisations.

"But we cannot say yes to these fireboys and ntsaras (criminals) who attack us," he said, referring to allegations that a group of undisciplined youths were being used as weapons against Masinedane members. The Freedom Charter stated "the people shall govern," Ntamo said, yet the steering committee was "not properly elected."

Peace initiatives struggled to get off the ground this week, although both sides have agreed in principle to talks. "A major problem is the confusion: behind that lies the breakdown of organised structures hit by the State of Emergency and repression," said a clergyman involved in the negotiations.

For the UDF, a major problem lies in reconciling the youth: it is acknowledged there are "essential problems" in this regard.

"This is the path community organisations are going to have to face in dealing with recently urbanised, fundamentally conservative communities," a UDF source said.

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**Mass Failure of Sowetan Matric Angers Parents**  
34000389a Johannesburg THE STAR in English  
17 Jan 88 p 2

[Article by Jon Qwelane]

[Text] Black matric results released this week show that more than two-thirds of the Soweto candidates who wrote matric last year failed, despite the fact that in 1987, unlike the 11 years preceding it, there was political calm and few class boycotts.

The failure rate—66.9 percent of candidates did not make the grade—is the worst in years.

But bad as the results are, towards the end of the week some pupils still did not know how they had fared because their results were not yet out.

A storm has raged in Soweto throughout the week over the results, and another gust blew when thousands of people heard a spokesman of the Department of Education and Training announcing on television, on the eve of the reopening of schools, that the department would not take back many of those who had failed.

Soweto parents are angry over the results, which some have called a "scandal." They have called for a meeting with DET regional director, Mr Gunther Merbold, and he has agreed.

Last year's examinations saw 15,200 candidates failing to make the grade.

Says Mr Job Schoeman, chief public relations officer of the DET: "Soweto recorded a pass rate of 33.1 percent as opposed to other areas where it was as high as 77.5 percent."

Some parents have warned of two immediate consequences which could possibly result from the refusal to readmit the failed matric pupils.

One is that the pupils, still smarting from disappointment, could be more frustrated by the decision not to take them back and that might translate into renewed violence and unrest. The other is that with little or no prospects of finding employment, they will swell the ranks of the jobless.

Says Mr Schoeman: "It is a fact that we will not be able to accommodate all who may want to reapply...we are morally bound to give preference to pupils coming up from lower classes and who have passed."

The department blames in particular the community of Soweto for allowing "wanton and senseless vandalism to occur at schools."

Asked if the refusal to readmit the failed matrics would not add to the drop-out rate caused by the previous 10 years' wave of unrest and precipitate another wave of unrest, Mr Schoeman said the DET did not force pupils to drop out through intimidation and unrest.

Earlier this week he suggested on the black television channels of the SABC that the failed pupils could enroll at adult education centres. They could also look for work to earn money while they studied privately.

### **Nation's Largest Student Group Steps Up Activities**

34000388b Johannesburg WEEKLY MAIL in English  
29 Jan-4 Feb 88 p 10

[Report on interview with Sansco president Bongani More by Shaun Johnson]

[Text] There is no doubt that 1988 will be another strife-torn year on the university, college and technikon campuses of South Africa says Bongani More, newly-elected president of the South African National Students Congress.

In an interview with the WEEKLY MAIL, More said his organisation expected an escalation of repression this year. But, he added Sansco was recovering from the blows inflicted by the continuing State of Emergency and would be initiating a number of high-profile campaigns.

"Of course, we have been destroyed in some areas, this is the struggle," he said. "We are talking of a question of life and death, and we must be honest.

"There are areas where the state has been able to beat us and we have not been fast enough to adapt ourselves to changing conditions.

"But even were we have taken a bad bashing, like in the Northern Transvaal, little by little we are recovering."

Sansco—which changed its name from the Azanian Students Organisation over a year ago—holds sway at the majority of tertiary institutions in South Africa, with branches on more than 85 campuses.

Because of the high number of leaders detained (some 75 in the Transvaal alone last year), More says the organisation has concentrated on stressing "the importance of the reproduction of leadership.

"We have found ourselves losing a lot of branches, even formerly strong ones, through repression. It is a major task to revive them. Inevitably, ordinary students have become fearful of getting involved. But we are always able to draw in new leaders through political education. People are still prepared to take the risks.

"One has to understand the extent of the influence of Sansco among students—it is immense," said More.

Sansco has been in the forefront of the attempts by United Democratic Front-aligned resistance groups to draw in as wide as possible a range of individuals and groups opposed to the De Klerk Bills which seek to restrict political activity at tertiary institutions.

More is convinced of the value of this "broad front" approach to political campaigns: "In struggle you must be able to broaden your own influence. We will do anything we can which serves to isolate the enemy."

Thus, together with its closest ally, the National Union of South African Students, and other youth organisations, Sansco has appealed to academics, university administrations and "anyone who opposes the imposition of these regulations which threaten our very existence".

Sansco was involved in discussions with the Committee of University Principals and claims it influenced the response of the "liberal universities" to the De Klerk proposals. "We will work hand-in-hand with all possible allies in defeating these regulations," he said.

Beyond this campaign, Sansco has identified other areas for special attention this year. The organisation plans to place much more emphasis on college campuses as opposed to the universities, and hopes to see national leaders emerging from the ranks of these students.

"The majority of our branches are on these campuses," said More, "and university representation among leadership is still too heavy. The thrust of our work will therefore move to the colleges, where the same spirit prevails."

In addition, there will be a "Hands Off Turfloop" (University of the North) campaign, and a continuation of anti-graduation ceremony activity.

Pressed about the possibility of class boycotts this year, More reemphasised Sansco's policy of regarding such stayaways as a tactic rather than a principle. "If we judge a boycott to be tactically correct, we will consider its use. Otherwise, we will refrain," he said.

As with most other legal resistance organisations, there are severe restrictions on Sansco's day-to-day operations. "But we are in favour of operating as openly as possible," said More, "even though experience has shown that some practical precautions have to be taken to avoid activists being detained. Last year, one of our leaders was arrested when coming out of a lecture."

A reflection of these security considerations is the fact that meetings and congress invariably have to be held in secret—as was Sansco's latest, held at the end of last year.

The executive elected at that congress comprises: Bongani More (president, Rhodes University), Mzukisi Banzana (vice-president, University of Bophuthatswana), Azhar Bhaum (general secretary, University of the Witwatersrand), Mkhululi Nkohl (treasurer, UNB), James Maseko (publicity and information secretary, Wits), Mcebisi Jonas (education officer, Wits), Thandile Gubevu (publications officer, University of the Western Cape), and Thula Ngcobo (women's organiser, Medunsa).

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### **Gazankulu Landscape Changes as Mozambican Refugees Build New Towns**

34000389c Johannesburg *THE STAR in English*  
2 Feb 88 p 15

[Article by Winnie Graham: "Refugees Start New 'Towns'; Generous Gazankulu Is Now Watching a Changing Homeland]

[Text] New "towns" are beginning to spring up close to the Kruger Park as thousands of Mozambican refugees, made welcome by the Gazankulu Government, build new homes for themselves in the land of their adoption.

While South African politicians fret and fume about the growing number of "illegal migrants" to South Africa, the refugees in Gazankulu have quietly taken advantage of the ground placed at their disposal by the homeland Government and built shelters for themselves.

Thousands of thatched huts, quite different from those usually put up by the people of Gazankulu, are clustered together to form new communities.

### **Small Vegetable Gardens Take Shape**

After two or three years, these towns—they are too big to be classified as villages—are fast getting a "settled" look with mealies and pumpkins covering the small gardens.

Towns such as Justicia and Hluvukani are populated mainly by women and children, but the few men there have started small businesses, such as carpentry shops where simple furniture is being made.

Sister Agnes, a Roman Catholic nun who works among the poor in southern Gazankulu, described the refugees as industrious people who were doing their best to re-establish themselves.

"They have suffered a great deal," she says. "They would like to live normal lives but it isn't easy when their husbands have either been killed or are away from home."

Most of the people, unable to earn a living working in neighbouring South Africa, are forced to rely on food parcels from relief agencies.

Sister Agnes visits distribution centres in the Mhala district once a month, giving families their rations: a bag of mealie meal and soup powder from Operation Hunger, high protein foods such as skimmed milk, peanuts and beans from Save the Children Fund, candles, matches, sugar and salt from the Catholic Church.

Initially the refugee children did not go to school, but now they are being absorbed into the overcrowded schools.

Dr J C Mulli, an International Red Cross doctor working in the area, predicts that within five years the refugees will be "totally integrated" with the local population..

### Same Language

"They are of the same ethnic origin and speak the same language," he says. "When they arrived, starving, in Gazankulu, the people fed them and gave them shelter."

Employment is a major problem. Refugees may be welcome in Gazankulu, but if they cross into South Africa—and are caught—they are repatriated to Mozambique. Work opportunities in Gazankulu simply don't exist.

Mr Michael Fogerty, a voluntary worker from the Irish-based Christian Missionary Movement (CMM) who has been working among the refugees for 2-1/2 years, says the Gazankulu authorities have moved to stop the exploitation of Mozambican workers.

When the refugees first arrived, some employers in South Africa took advantage of their situation and paid them less than the going rates. In some instances they were not paid at all.

Concerned at their exploitation, the chiefs now insist that would-be employers sign contracts stating the period they need workers for, and the rate of pay.

Although few people know for certain how many refugees have fled from Mozambique across the game reserve, the Catholic Church in Mhala district (southern Gazankulu) is feeding 18,500 people a month. There the situation is under control. Further north, the situation is reportedly less pleasant.

One thing is certain. While the war in Mozambique continues, the upheaval will ensure a steady stream of refugees.

The birth of the new towns could be the start of a new era for the Lowveld.

### 'Trek' Continues, Despite all Odds

She was haggard and bent, a pitiable figure with a baby on her back and three small children clutching her shirt.

Mrs Celeste Chibora, a Mozambique refugee who escaped from "the soldiers" with her young family, crossed the Kruger Park on foot to arrive in southern Gazankulu a few weeks ago. She and her young family literally hobbled in, starving and thirsty, with no place to go.

Months of hardship had taken their toll—the little woman looked closer to 60 than 30. And though she was at journey's end, her troubles were by no means over.

A local woman gave her and the children something to eat and a place to sleep. She is still with them, providing an excellent example of the on-going hospitality the people of Gazankulu are offering their afflicted neighbours.

She had run away from her village, she said, when "the soldiers" came. Her husband had come with her, but he had since died.

They had walked from Mapulange for more than two days without food or anything to drink. The children, roughly aged two, three and four, walked with them.

"Our village was not far from the border but we could not stay," she said.

She was one of thousands of women and children queuing for a food parcel from relief agencies at the Justicia distribution point last thursday. The parcel will have to keep her and the children going for the next month.

Another refugee in the food queue, Melorinda, a handsome woman with a baby and several bigger children, said her husband had been killed by "the soldiers." She had walked in heavy rain through the Kruger Park in December. She was staying with relatives in the area.

"We walked for two days without food and water," she said.

It was a statement repeated again and again by different refugees.

Others who have escaped across the border remain emotionally scarred. Three such women "ran away" after they had been forced at gunpoint to slit their husbands' throats.

Sister Agnes, the Catholic nun who works among the refugees, says the women now share a hut in one of the new Mozambique towns in Gazankulu but they shy away from company, seldom appearing in public.

Another distraught woman arrived to tell how she had been forced at gunpoint to "cook" her own child in a huge pot over an open fire.

No one seems to know which soldiers are responsible for the atrocities—Frelimo or MNR.

Figures kept by relief workers show that in the Mhala district (in Southern Gazankulu), 62 percent of the refugees are children, 30 percent women and eight percent men. By the time most of them are driven to leave home, they are in poor shape, their food supplies long since depleted.

A nutritionist from the International Red Cross, Dr J Mulli, did a monitoring exercise on the children's nutritional status.



At the town of Justicia where most of the refugees were newly arrived, the majority of small children were malnourished, according to Dr Mulli's observations. Many had anaemia and scabies.

At a creche run by the Catholic Church in Hluvukani, where the refugee children have been in the country more than a year and have been receiving food from relief agencies such as Operation Hunger, Save the Children Fund and the Catholic Church, most children were adequately fed, according to Dr Mulli. More than 50 percent, however, suffered from anaemia.

The flood of refugees from Mozambique is unlikely to abate while the vicious civil war between the MNR and the Frelimo Government continues. It is South African policy to repatriate Mozambicans crossing into the Republic, but thousands have found shelter in Gazankulu. In the southern region of Mhala there are close on 20,000. Just how many there are in the rest of the country is uncertain. Swaziland has about 15,000 refugees, Zimbabwe 160,000, and Malawi as many as 400,000.

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#### **Azanyu Holds Press Conference at Annual Congress**

34000388a Johannesburg SOWETAN in English  
21 Jan 88 p 10

[Article by Mzikayise Edom: "Azanyu, Pledge on Violence in Maritzburg Area"]

[Text] The Azanian National Unity has pledged to bring to an end the fighting in Maritzburg which has claimed more than 300 lives since the violence started last year.

This was one of the resolutions taken by Azanyu at its second annual national congress held at the Ipelegeng Community Centre, Soweto, at the weekend. It was attended by about 2,000 delegates and observers from various parts of the country, including the homelands.

The theme of the congress was "Mobilise, consolidate and unite against reactionary forces".

Addressing a Press conference in Johannesburg, Mr Carter Seleka, Azanyu's general secretary said: "We condemn the violence in the Maritzburg area and we call upon the people to refrain from killing each other because no one benefits from the fighting."

He also said Azanyu was doing its best to defuse the fighting between members of the UDF and Inkatha.

"We are still working on plans to end the feuding," Mr Seleka said.

Mr Seleka said other resolutions taken at the congress were that:

—Azanyu condemns the illegal occupation of the land of Palestinian people by the Israeli Government. The organisation pledged solidarity with the Palestinian people struggling for their liberation.

—The organisation condemned the presence of the South African Defence Force in Angola and the killing of innocent women and children by the MNR bandits in Mozambique.

—Azanyu condemned the "illegal" occupation of Namibia by the South African Government.

—The merger between Zanu-PF and Zapu-PF in Zimbabwe was welcomed by the congress.

#### **Merger**

—Azanyu rejected the new amendment to the Labour Relations Act of 1956, stating that this document wanted to prevent workers from taking action if they had grievances and to politically isolate workers' problems from other political matters; and

—Azanyu called for the removal of members of the SAP and SADF from school and university premises and also called for the scrapping of the Joint Management Committees.

A new national executive committee was elected at the end of the two-day congress.

The members are: Mr Serame Molefi, president; Mr Ntsie Mohloai, vice-president; Mr Seleka; Mr Walter Likhuleni, finance secretary; Mr Mpuka Radinku, publicity secretary; Mr Mzwandile Mchithika, national organiser; Mr Mxolisi Phantshwa, labour secretary; Miss Phumla Mfeya, education secretary; Mr Reggie Nikiwe, sports and culture secretary; and two additional members, Mr Arden Bosman and Mr Trevor Mpofu.

The congress was attended by representatives of the French, Dutch, Canadian and Australian embassies.

Messages of support and solidarity were received from the labour parties of Belgium and Sweden and from the youth wing of the Zanu-PF from Zimbabwe.

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**Minister Queried on IMF Conditions**

34000333c *Dar es Salaam TANZANIA DAILY NEWS*  
in English 23 Jan 88 p 1

[Article by Mussa Lupatu in Dodoma]

[Text] Tanzania had, by December 31 last year, drawn 39.22m/- in Special Drawing Rights (SDR) from the International Monetary Fund (IMF) following the agreement between the Government and the Fund in August, 1986.

In a written answer to Ndugu Yussuf M. Yussuf (Mwembe Makumbi) circulated in the National Assembly here yesterday, the Minister for Finance, Economic Affairs and Planning, Ndugu Cleopa Msuya, said the IMF Board had authorised SDR 64.2m/- to Tanzania following the agreement.

He said the money was to be spent within 18 months at three installments after meeting conditions given for each period.

The Minister further informed the House that Tanzania had also, in October last year, entered into an agreement to draw a loan of SDR21.4m/- from the IMF Structural Adjustment Facility.

Ndugu Msuya said that the loan from the facility was different from the standby agreement directly from the IMF because its conditions were soft.

The Minister explained that because of the agreement with the IMF, the World Bank and other donors had also come forward with more loans and grants to Tanzania than was the case a few years back in order to assist the country's Economic Recovery Programme (ERP).

He said that the IMF loan would assist Tanzania to import spare parts, raw materials, medicines, fuel, machines and other things necessary in the ERP particularly in the agricultural, industrial and communication sectors.

The House was assured that under the IMF agreement, the Government continued with negotiations whenever necessary to amend terms of the agreement in order that they conformed with realities in the economy.

The Minister said that the country was going through serious economic problems and that what was needed were strategies that were sustainable and rooted in local efforts.

He said Tanzania agreed with IMF because the Government had ensured that levels and time required to adjust various economic policies would not affect the interest of most Tanzanians.

The MP had wanted to know how Tanzania benefited from the IMF agreement during 1985/87 and 1986/87, how many times the Government had consultations with the Fund to remove some of the conditions and how were the conditions implemented during the period.

The Minister said conditions implemented were the adjustment of the exchange rate, the increase of producer prices, reduction of government borrowing from the banks, the liberalisation of food trade and salary increases.

For example, government borrowing went down to 0.3 per cent or 236m/- of the budget in 87/88 compared to 6.3 per cent in 1986/87 or 20 percent of the budget in 1985/86.

The Minister said that the Government would continue with the move in order to reduce money circulation and cut down inflation.

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**Iranian Delegation Urges Closer Economic Ties**

34000332b *Dar es Salaam TANZANIA DAILY NEWS*  
in English 28 Jan 88 p 3

[Article by Lucas Liganga: "Iran for closer Economic Ties"]

[Text] The Mostazafan Foundation of Iran has expressed desire to establish a new bridge of economic relationship with Tanzania in agriculture, industry, trade and culture.

The desire was expressed yesterday by a five-man delegation of the Foundation at the end of its three-day tour of Tanzania.

In an exclusive interview with the DAILY NEWS at the Dar es Salaam International Airport, the delegation leader, Dr. Abbas-Zadegan, said that he was pleased that four ministries had presented a number of proposals to the Foundation, which could later be implemented on joint venture basis.

He said the Ministry of Agriculture and Livestock Development proposed to the Foundation the establishment of a beef cattle husbandry project, fish and wheat farming.

The Ministry of Industries and Trade, Dr. Abbas-Zadegan said, presented proposals for the putting up of a gunny bag manufacturing mill, an electrical equipment plant and a timber industry.

He added his Foundation presented to the Ministry a list of traditional and non-traditional crops that the Foundation would like to import from Tanzania. The traditional crops included tea while the non-traditional included timber and simsim [as published].

In discussions with the Ministry of Community Development, Culture, Youth and Sports officials the Foundation expressed readiness in providing Tanzania with films produced in Iran, Dr. Abbas Zadegan said.

He said the two parties also agreed that it was an opportune moment for Tanzania to market her handicrafts such as ebony carvings in Iran through exhibitions in a string of hotels belonging to the Foundation.

He said the delegation, which left yesterday for Harare, Zimbabwe, also met with officials of the Ministry of Foreign Affairs to facilitate information between the Foundation and ministries in the course of studying the proposals.

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#### **Norway To Aid Petroleum Sector**

34000327d *Dar es Salaam TANZANIA DAILY NEWS*  
in English 16 Jan 88 p 1

[Text] Norway will provide 13 million kronors (about 175m/-) to Tanzania for the development of the petroleum sector following an agreement signed in Dar es Salaam yesterday between the two countries.

The agreement was signed by the Principal Secretary in the Ministry of Energy and Minerals, Ndugu Fulgence Kazaura, and the Resident Representative of the Norwegian Royal Ministry of Development Co-operation, Ndugu Olav Myklebust.

Ndugu Kazaura said the funds were for strengthening the sector by providing advisory services, buying equipment, training local personnel and financing geological and geophysical surveys.

Under the first five-year petroleum support programme which ended last December, Norway provided 44 million kronors (about 590m/-).

The brief ceremony was attended by the Project Manager of the Norwegian Ministry of Development Co-operation, Ndugu Wenche Gulnes; the Managing Director of Tanzania Petroleum Development Corporation (TPDC), Ndugu Sylvester Barongo; and the Commissioner for Energy, Professor James Mwandosya.

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#### **Japan Offers Grant for Commodities Import**

34000332a *Dar es Salaam TANZANIA DAILY NEWS*  
in English 28 Jan 88 p 3

[Text] Japan has granted Tanzania 1.75bn/- (2.5 billion yen) for the purchase of necessary commodities under the three-year Economic Recovery Programme (ERP).

A protocol to that effect was signed on Tuesday by the Japanese charge d'Affaires in the country Saburo Tanaka and the Principal Secretary in the Ministry of Finance, Economic Affairs and Planning, Ndugu Gilman Rutihinda.

The grant was the result of the Venice summit of the industrialised nations in June last year where Japan announced its intention to grant 500 million US dollars to sub-Saharan countries in three years.

Apart from struggling to promote the economic structural adjustment of these countries, the grant was intended to help the nations repay their debts.

The new scheme of aid, also known as non-project type grant aims at supporting the recipient countries' import of commodities on grant basis, a press release by the Japanese embassy said.

Formal request for the aid by Tanzania was submitted to Japan in September last year when foreign affairs Minister Benjamin Mkapa visited Japan.

The press release also said Tanzania becomes one of the first recipients of the new type of grant.

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#### **Britain Signs Three Grant Agreements**

34000332c *Dar es Salaam TANZANIA DAILY NEWS*  
in English 23 Jan 88 p 3

[Text] The British Government yesterday provided additional grants amounting to 1,122,012,000/- (6,926,000 pound sterling) to the Tanzania Government for three projects covering the cotton sector, armyworms control in Arusha Region and multi-sectoral rehabilitation credit agreed upon by the Government and the World Bank.

According to a press statement from the British High Commission in Dar es Salaam three agreements to such effect were signed yesterday at the Treasury in the city by British High Commissioner Colin Imray and the Deputy Principal Secretary in the Ministry of Finance, Economic Affairs and Planning, Ndugu Peter Ngumbullu, SHIHATA reported.

Under the first of the three agreements signed, the British Government will increase its grant to the cotton sector to 105,300,000/- (650,000 pound sterling) from 64,800,000/- (400,000 pound sterling).

The increased allocation is to be spent on the purchase of essential spare parts for cotton ginneries.

The original 64,800,000/- has been spent on bringing tarpaulins for emergency cotton storage. The tarpaulins have already arrived in Mwanza.

Under the armyworm control project in Arusha Region, the British Government will assist Tanzania with an additional 117,612,000/- (726,000 pound sterling) for the third phase of the project.

The original grant was 121,500,000/- (750,000 pound sterling).

The British-assisted armyworm control project started in 1979 and the third phase would continue for the next three years, the statement said.

Under the third phase, the Tanzania Government will be provided with technical assistance to strengthen plant protection services in a move to continue to support Tanzania's Plant Protection Department and develop the capacity of pest control services in Arusha.

Under the third agreement signed yesterday, the United Kingdom will grant 648m/- (four million pound sterling) to Tanzania under a co-financing arrangement with the World Bank to support multi-sectoral rehabilitation credit in the country.

The goods (credit) and services to be financed out of the grant will be procured with the provision of the African Facilitate Credit Agreement agreed between the World Bank and the Tanzania Government.

After the signing, Ndugu Ngumbullu thanked the British Government's continued and prompt assistance to Tanzania.

In reply, the High Commissioner said that Britain was "very happy to work closely and efficiently together" with Tanzania.

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#### **Belgium Signs Soft Loan Agreement**

34000327b Dar es Salaam TANZANIA DAILY NEWS  
in English 20 Jan 88 p 1

[Text] Tanzania and Belgium yesterday signed a soft-loan agreement for 260m/- (100 million Belgium francs) to be used for purchasing of handling facilities and the rehabilitation of the Kigoma Port.

The agreement was signed in Dar es Salaam by the Deputy Principal Secretary in the Ministry of Finance, Economic Affairs and Planning, Ndugu P.J. Ngumbullu, and the Belgian Ambassador to Tanzania, Mr. D. Leroy.

Under the agreement, the loan, which is interest free, is payable in 20 years after a ten-year grace period.

It is specifically aimed at purchasing a 35-tonne gantry container crane and rehabilitate four existing cranes and other handling equipment at the Port which is administered by the Tanzania Railways Corporation.

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#### **Food Prices Increased 25 Percent in 1987**

34000333a Dar es Salaam TANZANIA DAILY NEWS  
in English 27 Jan 88 p 3

[Text] Prices of food commodities increased by 13 per cent during the past three months between September and last month.

A three-monthly market bulletin issued by the Ministry of Agriculture and Livestock Development released in Dar es Salaam yesterday says the average prices of all food commodities in December, last year, were much higher than those of December the previous year and this accounted for a 25 per cent increase in food prices over the period of one year.

The bulletin says the two price increases could be attributed to price increases registered by most of the heavily weighted main staples.

For example, the bulletin says, the price of dried maize grain between September and December rose by 22 per cent from 203/65 per tin in September to 248/48 per tin in December.

It says all other main staples registered price increases. These include rice which has gone up by 21 per cent from 37/18 per kilogramme in September to 45/15 per kilogramme in December.

Dried beans went up by 31 per cent from 33/37 a kilogramme to 43/68 per kilogramme. Fresh cassava has increased by six per cent from 13/05 in September to 13/83 per kilogramme in December, the bulletin says, adding that all livestock products registered price increases during the same period.

With the exception of Arusha, all reporting markets showed increases in their food costs over the period of three months, suggesting that the cost of food was higher in December in all the regions, according to the bulletin.

The report says Tabora recorded the highest increase of 47 per cent while Arusha was the only market which registered a one per cent decrease.

The bulletin further says the cost of food in Bukoba was higher than any other part of the country between September and December. Mbeya recorded the minimum index for the second time running.

According to the December marketing bulletin, all the main staples registered price increases over the period of one year. These are finger millet—36 per cent; sorghum grain—63 per cent; and fresh cassava—26 per cent.



The same applies to the livestock products like beef mixed cut—29 per cent; beef liver—24 per cent; chicken liver—28 per cent; milk—325 per cent; and eggs—16 per cent.

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### **House Passes Powers and Privileges Bill**

34000333b *Dar es Salaam TANZANIA DAILY NEWS in English 22 Jan 88 p 1*

[Article by Mussa Lupatu in Dodoma]

[Text] The Government in the National Assembly here yesterday abstained from voting on a private motion giving MPs legal powers to call public meetings.

The motion, moved in the schedule of amendments for the National Assembly (Powers and Privileges) Bill, 1987, was, however passed by the House when the Speaker, Chief Adam Sapi Mkwawa, asked the MPs to vote for or against the amendment.

The motion was introduced by Ndugu Timothy Ndunguru (Mbinga) on Wednesday night. After heated debate on Wednesday and yesterday, the Government decided to enable the House to reach a decision easily.

In the motion, Ndugu Ndunguru wanted the MPs to be given freedom to hold public meetings in their constituencies.

"A Member of Parliament shall be free to hold public meetings in his constituency and the responsible authorities shall facilitate such meetings in a manner most convenient to the MP," the motion says, adding:

"Any person who causes obstruction to such public meetings shall be liable to disciplinary measures according to laid down regulations by responsible authorities."

Explaining the Government stand, the Leader of Government Business in the House, the Prime Minister and First Vice-President, Ndugu Joseph Warioba, said the decision to abstain was rooted in the fact that the motion would not be helpful.

He said that there was no dispute that it was the MPs' right to meet the people and call public meetings with the assistance of responsible authorities and that the Government was not aware there were some district officials denying MPs this right.

However, Ndugu Warioba said, it was the view of the Government that existing structure could be used to solve this problem. He said the Party structure, to which MPs were aligned in the districts, was most ideal to ensure that MPs were granted their right to call meetings.

Ndugu Warioba expressed concern that the amended clause would bring confrontation between leaders and act as an obstacle to joint leadership which the nation was trying to establish.

He said this was because the amendment was coming from only one authority—the House—directing the other authorities, the Party and Government.

Ndugu Warioba explained that two options that the Government could take was either to debate against the motion or vote against it. However, he said, the Government had decided instead to abstain from voting in order to make a decision an easy matter.

The Bill on the National Assembly (Powers and Privileges) updates the Legislative Council (Powers and Privileges) by introducing new modification in the light of the new Constitution.

Other privileges provided under the Bill include the freedom of speech and debate in the House and immunity from legal proceedings for words spoken before or written in a report to the Assembly or any of its committees.

Also included is freedom from arrest for any civil debt except for a debt the contraction of which constitutes a criminal offence.

The Bill was passed by the National Assembly yesterday.

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### **Party Wing Opens Industrial Venture**

34000333d *Dar es Salaam TANZANIA DAILY NEWS in English 28 Jan 88 p 1*

[Text] Party Secretary General Rashidi Kawawa will this afternoon inaugurate an animal feeds plant built by Shirika la Uchumi na Kilimo Tanzania (SUKITA).

An official of SUKITA, the economic wing of the Party, said yesterday that the ceremony would start at 2 pm at the plant site along Mwakalinga road at Chang'ombe area, in Dar es Salaam.

The plant, SUKITA's first in a move to venture into industrial projects, will be producing poultry and piggery cattle feeds.

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**TAMCO To Export Trucks to Uganda**

34000327a *Dar es Salaam TANZANIA DAILY NEWS*  
in English 15 Jan 88 p 3

[Article by Jonas Mwasumbi and Joyce Mhaville]

[Text] The Tanzania Automobiles Manufacturing Company Limited (TAMCO), assemblers of Scania vehicles, will, effective this year, start exporting trucks to Uganda.

TAMCO General Manager, Sven Hermansson told the DAILY NEWS at Kibaha yesterday that Uganda would become the first foreign market. The company started production in 1982.

He said the first batch of five 15-tonne trucks would be ready towards the end of this month for delivery to Uganda.

Mr. Hermansson said the company was exploring more external markets although the local market was expanding.

TAMCO was initially to cater for all East African countries. The idea was shelved when the East African Community broke up. The company remained a sole assembling plant for Tanzania.

Commenting on the local market, the General Manager said devaluation of the shilling had sent prices up causing problems to TAMCO clients. The clients are increasingly finding it difficult to buy the trucks, he said.

The cheapest truck, costing 6.5m/-, might in a few months cost 18m/- should the shilling depreciate up to 120/- against the US dollar.

Mr. Hermansson said the company plans to assemble up to 200 trucks this year against 169 produced last year.

However, he said the production would depend on the amount of foreign exchange allocated to the company.

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**Isles Ports Rehabilitation Under Way**

34000327c *Dar es Salaam TANZANIA DAILY NEWS*  
in English 21 Jan 88 p 3

[Excerpt] Rehabilitation work on the Isles ports under the 1.03bn/- European Economic Community (EEC) grant is expected to start next month.

The Isles Deputy Minister for Communication and Transport, Ndugu Mohamed Khamis Abdallah, said in Zanzibar yesterday that the project covers the rehabilitation of the Zanzibar Port and construction of a new jetty at Mkoani, Pemba. It will be undertaken by the Italian Company, Cogefer.

Ndugu Abdallah said construction work for the long-awaited project was expected to begin anytime next month after the Isles Government granted a go-ahead early this month, SHIHATA reported.

He said Cogefer was already in Dar es Salaam and mobilisation of the construction materials is scheduled to begin this month.

The Deputy Minister said work was expected to begin with the Zanzibar Port which, on completion, would be equipped with all facilities of modern ports.

The Deputy Minister said the project was expected to take 18 months. On completion, the Zanzibar Port would be able to handle three big ships at once.

Ndugu Abdallah said rehabilitation work for the Zanzibar Port would be carried out in parts to maintain continuity of the existing port operations.

He added the EEC grant to the Isles ports project would also facilitate the construction of a new jetty at Mkoani, Pemba, to allow Zanzibar ships anchor nearer to the shore.

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### **Businesses To Be Registered**

34000334a Kampala *THE NEW VISION* in English  
22 Jan 88 p 12

[Article by Festo Ebongu: "Business Registration on Feb. 1"]

[Text] Registration of all business enterprises in the country will start on February 1. It will take place at the Trade Development Offices and requires a fee of 1000/- to cover stationery and other costs.

"This is not a tax, but a contribution to the whole exercise," a spokesman for the Ministry of Commerce said yesterday. "Any business premises not registered by February 15, will be closed," he said.

All businesses have been classified and have to be registered under categories of manufacturers, exports, importers, wholesalers with established trading premises, travelling wholesalers, retailers and hawkers.

The exercise is aimed at identifying bona-fide businessmen. The Ministry spokesman said that for many years, business was being operated outside the established laws governing commerce, shifting it into the hands of racketeers. He said that properly registered business concerns were doing no business as the export and import business has been taken over by dubious characters. "We want to track down such people," he said.

Registration will help in identifying who is who in the business sector and help Government legislate and adopt appropriate policies to streamline business activity from the manufacturing to the distribution of goods. Such policy cannot be formulated without first obtaining relevant data, he said.

The spokesman regretted that even the Bank of Uganda had no proper records of the total volume of export and import trade carried on in the country. The exercise will therefore assist in determining the volume of goods the country needs as imports.

He pointed out that because of some unscrupulous traders, many vehicles for instance were being imported without proper registration, making it difficult to plan for fuel needs.

He accused businessmen operating outside the law of being responsible for skyhigh prices as it was quite difficult to discipline them—say by withdrawing trade licence.

The exercise, it is hoped, will guard against excess profits now being enjoyed by traders.

There are conditions traders are expected to meet before registration. The manufacturer must have an industrial licence with the company duly incorporated or registered in Uganda. The concern must not be engaged in the wholesale of products without authority granted by the Minister of Commerce. At the same time it will be allowed to import only inputs for the industry.

The exporter is expected to be a trader resident in Uganda or a company incorporated or registered in the country which will sell or barter commodities from Uganda. An importer will declare his line of specialty, have a wholesaler's trade licence and will be obliged to sell all inputs in bulk.

The Ministry spokesman said, Importers and Exporters who have transacted business since 1986 should have a letter from the Ministry of Commerce proving arrival of goods and receipts showing foreign exchange remittance.

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### **World Bank To Fund Hospital Rehabilitation**

34000334b Kampala *THE NEW VISION* in English  
25 Jan 88 p 1

[Article by Mike Butera: "World Bank Funds Mulago"]

[Text] The World Bank will next month release 30 million US dollars to fully rehabilitate Mulago Hospital.

This was disclosed yesterday by Mr John P. Evans currently leading a 14-man World Bank team in Kampala.

The Bank will also put up a new hospital in Rakai District, rehabilitate 10 district hospitals and put up 50 new health centres throughout the country.

The rehabilitation of Mulago will start in March this year and major works on the health sector will take off by June this year.

The World Bank team is in Uganda at Government request. "We have decided to comply with the government request because of its seriousness," said head of the team.

He said that the World Bank normal procedures in such kind of requests takes three to four years before a response is given but he said that Uganda's case was a "major emergency."

"It is for this reason that work on Mulago Hospital must take off immediately. We are deeply concerned about Uganda's situation, especially after all the chaos it has gone through after years of war," said Evans.

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